

# **OVERVIEW OF UNSOLICITED PROPOSALS**

## **APPLICABILITY**

This policy and procedure applies to unsolicited proposals received by the KCATA. The KCATA welcomes proposals from any interested vendor meeting the following qualification criteria:

- Technical and financial resources to provide the services proposed; or
- The ability to contract with the KCATA and/or serve as a partner in a contract resulting from the adoption of the proposal.

Proposals from businesses (including startups and small businesses), labor unions, municipalities, academic institutions, philanthropic foundations, non-profit organizations and other entities for contracts, services or partnerships are encouraged. In addition, this policy welcomes the submission of unsolicited proposals regarding the acquisition, lease, sale or shared use of KCATA real property.

## **WHAT IS AN UNSOLICITED PROPOSAL?**

An unsolicited proposal is a written offer that is submitted to the KCATA for the purpose of developing a partnership or concept which is not in response to a current procurement solicitation.

An unsolicited proposal meets the following characteristics:

- Be innovative and practical;
- Have potential to significantly reduce KCATA operating and/or capital expenses for a service the KCATA currently provides, or for a new service, including services for our customers (i.e. information about the KCATA's service status) which the KCATA could provide;
- Be independently originated and developed by the proposer;
- Be prepared without KCATA supervision, endorsement, direction, or direct involvement; and
- Contain sufficient details regarding the benefits for the KCATA's mission and responsibilities.

An unsolicited proposal is different than a project already included in KCATA's operating or capital budgets and business plan. KCATA is looking for unsolicited proposals that are innovative, efficient and offer added value while lowering operating costs or avoiding capital expenses. Such solutions may include: enhanced financing options, improved customer service outcomes, creative ways to save resources or technical assistance.

An unsolicited proposal is **not** an offer or alternative for property or services that the KCATA is currently procuring through competitive methods. An unsolicited proposal is **not** a policy or operating procedure recommendation.

The KCATA is not responsible for any costs or resources required by the proposer to develop any unsolicited proposals.

## **PROCESS AND REQUIREMENTS**

All unsolicited proposals shall be submitted to the KCATA by email at [innovation@kcata.org](mailto:innovation@kcata.org). Proposal must be submitted using the Unsolicited Proposal form. Once received, KCATA staff will log the proposal and within three business days coordinate an evaluation of technical and/or financial merit. The KCATA will receive and evaluate Unsolicited Proposals using a two-phased approach: Phase One is a conceptual evaluation of the proposal. If the proposal has merit it will proceed to phase two- which will include a deeper dive into the proposal benefits, cost impacts, and operational impacts. Proposals recommended to proceed for implementation will follow the established KCATA procurement policy.

### **PHASE ONE – CONCEPTUAL PROPOSALS**

#### **INTRODUCTION**

The purpose of Phase One is for the KCATA to receive and review written, concept-level proposals.

#### **PROCESS**

Upon receipt of a proposal, the KCATA will take the following steps:

1. Promptly acknowledge receipt of the proposal within three business days via email; and
2. Determine whether the proposal meets the threshold requirements of an Unsolicited Proposal, including whether the proposal:
  - Satisfies the definition of an unsolicited proposal
  - Demonstrates clearly the customer benefit, operating expense savings and/or avoided capital expense to the KCATA;
  - Includes all required content
  - Contains sufficient detail to enable the KCATA to perform an adequate evaluation of feasibility and/or potential costs and benefits;
  - Demonstrates the capability of the proposer to deliver and implement the proposed action(s);
  - Has been approved by a responsible official or other representative with the proposing organization authorized to contractually obligate the proposer; and
  - Complies with KCATA requirements for use and disclosure of data.

If the proposal meets the threshold requirements, KCATA staff will take the following steps:

1. **Inception:** The KCATA staff will log the proposal and assign it a number;
2. **Notification:** The KCATA will set and notify the proposer of the schedule for internal evaluation;
3. **Form Evaluation Team:** The KCATA will assemble an evaluation team with technical and financial subject-matter experts and experience relevant to the conceptual proposal;

4. **Request for Further Information** (Optional): The KCATA will schedule a meeting with the proposer, if it is determined that a meeting would be helpful to more fully understand the proposal;
5. **Evaluation**: The KCATA will facilitate the evaluation process as needed;
6. **Notification**: The KCATA will notify the proposer of the KCATA's decision. The possible outcomes may be to discontinue the process, proceed to Phase Two, or pursue a competitive procurement. The KCATA will provide the proposer with a general explanation of the reasons for the decision. Notice to proceed to implementation or that the KCATA has decided to not proceed with the Unsolicited Proposal will be provided within 45 days of acknowledgement of receipt of the proposal; and
7. **Disclosure**: The KCATA will post a public notice or posting which will list the identity of the proposer and the general area or theme of the proposal.

## **CONTENT**

To be considered for evaluation, a conceptual proposal must be submitted in writing and sufficiently detailed for the KCATA to determine the utility or benefit. The conceptual proposal is very brief. All potentially proprietary data contained in the Conceptual Proposal should be explicitly identified. The information requested includes:

- Proposer's information including date of submission, name of company, business address, point of contact, and contact phone and email;
- Proposal abstract including:
  - A descriptive title and overview of the proposed effort;
  - The objectives of the effort or activity;
  - The method of approach and extent of effort to be employed;
  - The nature and extent of the anticipated results including, but not limited, a specific identification of benefits to the KCATA, whether improved customer experience, safety, operating savings, expansion of transportation services, reduced capital expenditures and improved operational efficiencies;
  - Type of support needed from the KCATA (e.g., facilities, equipment, materials, or personnel resources) and an estimated costs to the KCATA for the effort in sufficient detail for meaningful evaluation;
  - An overview of the end-result commercial arrangement envisioned by the proposer;
  - Proposed duration of the effort; and
  - Competitors and similar service providers.
- Organizational background information including a brief description of the organization, previous experience in the field, and facilities to be used and names and titles of key personnel.

## **EVALUATION**

Conceptual Proposals will be evaluated promptly in accordance with the criteria set out in this section. If an evaluation team has been assembled, that team will have access to the technical proposal for purposes of determining the proposed project scope. The proposer(s) will have no interaction with the evaluation team unless additional clarifying information is required or interviews are requested.

At Phase One, the evaluation team will determine the evaluation criteria, as necessary, to consider the specific proposal, but generally will consider if the proposal:

- Offers direct or anticipated benefits to the KCATA, its passengers and/or the community;
- Is consistent with the KCATA's objectives and goals;
- Satisfies a need for the KCATA that can be reasonably accommodated in the KCATA's annual long-term capital and operating budgets without significantly increasing the cost of the proposed items;
- Offers KCATA customer benefit, operating expense savings and/or avoided capital expenses
- Raises potential significant financial, technical and legal issues that could present barriers to success, or otherwise requires an initial due diligence review by subject matter experts to confirm potential viability; and
- Other factors as appropriate based on the specifics of the proposal.

In the event that the KCATA receives an unsolicited proposal for joint development on KCATA property, it shall determine:

- Whether the property is available for development;
- Whether it is advantageous to the KCATA to offer it for development at the current time;
- Whether the proposed transaction will return fair market value to the KCATA;
- Whether the proposal contains sufficient information to reasonably evaluate its technical merit and the financial capacity of the proposer; and if so,
- Whether there is sufficient merit and capacity to entertain the proposal.

If the KCATA's determination on any of the foregoing questions is negative, it may reject the proposal. If the KCATA's determination is affirmative, it may consider the proposal by making public notice that it has received an unsolicited proposal for the property in question and soliciting alternative proposals.

The KCATA can and will reject concepts which do not meet the requirements, including the ability of the proposer to offer, provide and/or enter into a contract or agreement with the KCATA to perform the concept.

## **PHASE TWO – DETAILED PROPOSALS**

### **INTRODUCTION**

The purpose of Phase Two is for the proposer to provide more detailed technical and financial information to inform a decision by the KCATA. At the conclusion of this phase, the KCATA will decide whether to forego the proposal, to proceed to a sole source agreement, to test a pilot program, or to pursue a competitive solicitation based upon the proposal.

### **PROCESS – REQUEST FOR DETAILED PROPOSAL**

If the Conceptual Proposal is found to present potential for the KCATA, a Request for a Detailed Proposal will be sent which formally requests the proposer to proceed to Phase Two. Depending on the circumstances, the Request may include the following:

- Essential terms and conditions that could be part of a subsequent agreement between KCATA and the proposer;

- A goal for participation of disadvantaged/small business enterprises (DBE/SBE);
- A schedule and important deadlines for the proposer;
- Evaluation criteria to be used during Phase Two; and
- Requests for specific information, modifications or clarifications to the scope of the original proposal, including, but not limited to, specific questions or information that is essential to consideration of the detailed proposal.

## **PROCESSING**

Once the Detailed Proposal is received, the KCATA will keep a record of the persons on the evaluation team and record the final disposition of the proposal. Outside advisors will be consulted if the KCATA evaluation team deems it necessary and beneficial. The Prohibition of Use of Confidential Information continues to apply in Phase Two.

## **CONTENT**

In addition to the information provided in Phase One, a Detailed Proposal must, at a minimum, include the following Technical and Supporting information and is limited to 30 pages (not including appendices):

### **TECHNICAL INFORMATION**

- Names and professional information of the proposer's key personnel who would be committed to the project;
- Type of support needed from KCATA (e.g., facilities, equipment, materials, or personnel resources);
- Type of support being provided by the proposer;
- A sufficiently detailed description of the scope of work being offered to allow KCATA to evaluate the value received for the price proposed;
- Proposed price or total estimated cost for the effort and/or the revenue generated in sufficient detail for meaningful evaluation and cost analysis, including an annual cash flow for the project and annual or future costs to operate and maintain;
- A schedule for the implementation, including specific details for any property and/or services to be provided by KCATA; and
- Proposed duration of effort

### **SUPPORTING INFORMATION**

- Nature of relationship between the proposer and the KCATA, including potentially the type of contract being sought by the proposer;
- Description of the proposer's organization, previous experience in the field, and facilities to be used;
  - Required statements and disclosures, if applicable, about organizational conflicts of interest and environmental impacts; and
- Information demonstrating to the KCATA that the proposer has the necessary financial resources to complete the project, as determined by KCATA staff. Such information may include, but is not limited to:
  - i. Financial statements, including an Auditor's Report Letter or an Accountant's Review Letter, Balance Sheets, Statements of Income and Stockholder's Equity, and a Statement of Change in Financial Position;

## **EVALUATION**

Detailed Proposals will be evaluated promptly, at a minimum in accordance with the criteria set out in this section, as well as any other evaluation criteria identified in the Request for Detailed Proposal.

## **THRESHOLD REVIEW**

Before initiating a comprehensive evaluation, the KCATA will determine if the Detailed Proposal continues to meet the threshold requirements set out in Phase One and the requirements specifically set out in the Request for Detailed Proposal.

## **EVALUATION CRITERIA**

At Phase Two, the KCATA will confirm the proposal meets the same evaluation criteria set forth in Phase One, in addition to the following minimum factors, and any additional criteria set out in the Request for Detailed Proposal:

- The proposer's capabilities, related experience, facilities, techniques, or unique combinations of these which are integral factors for achieving the proposal objectives;
- The proposer's financial capacity to deliver the goods or services defined in the proposal;
- Viability of the proposed schedule and KCATA's ability to meet activities required;
- KCATA's capacity to enter into a contract under its current debt authorization;
- The qualifications, capabilities, and experience of key personnel who are critical in achieving the proposal objectives;
- The relative costs and benefits of the proposal with respect to improving mobility and accessibility in the KCATA service area;
- The specific details of the cost/revenue generated; and
- Any other factors appropriate for the particular proposal.

## **DEDICATION TO FULL AND OPEN COMPETITION**

KCATA's receipt of a Detailed Proposal does not, by itself, justify a contract award without full and open competition. If the Detailed Proposal offers a proprietary concept that is essential to contract performance, it may be deemed a Sole Source (see section below). If not, the KCATA may pursue a competitive procurement per its established procurement policy and procedures.

## **UNSOLICITED PROPOSAL – SOLE SOURCE AWARD**

If it is impossible to describe the property or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought, as determined by the KCATA, the KCATA may make a sole source award, as provided in the KCATA's Sole Source Award policy. A sole source award may not be based solely on the unique capability of the proposer to provide the specific property or services proposed.

## **CONTRACT RESULTING FROM AN UNSOLICITED PROPOSAL**

Nothing in this policy or otherwise requires the KCATA to act or enter into a contract based on an Unsolicited Proposal. The KCATA may return and/or reject an Unsolicited Proposal at any time during the process.

## **COMPETITIVE PROCUREMENT**

Except as provided above, the KCATA may decide to enter into a competitive procurement to obtain any or part of the services or goods incorporated in the Unsolicited Proposal in compliance with the prohibition on the use of confidential information.

## **PREREQUISITES TO CONTRACT NEGOTIATION**

The contracting officer or other designated KCATA representative(s) may commence negotiations only after the following prerequisites have been met:

- An Unsolicited Proposal has received a favorable comprehensive evaluation including in comparison to any Proposals received following publication as provided in this policy;
- The KCATA office sponsoring the contract supports its recommendation, furnishes the necessary funds, and provides a sole-source justification (if applicable); and
- Receives approval to proceed from KCATA President / CEO and/or KCATA Board of Commissioners or represented committee thereof.

## **OTHER GENERAL PROPOSAL INFORMATION**

### **USE OF CONFIDENTIAL INFORMATION**

In accordance with Missouri Sunshine law, Mo. Rev. Stat. §610.010 et seq., and to the extent consistent with the exemptions contained therein, KCATA personnel will not use any data, or any proprietary part of an Unsolicited Proposal or confidential technical or financial proprietary information as the basis, or part of the basis, for a solicitation or in negotiations with any other firm, unless the proposer is notified of and agrees to the intended use. Concepts or ideas are not considered proprietary by the KCATA.

### **Missouri Sunshine Act - Open Records**

All information, data, proposals and other documentation submitted pursuant to this policy will be governed in accordance with the Missouri Sunshine Law, Mo. Rev. Stat. §610.010 et seq., Accordingly, consistent with the goals of this policy and its commitment to transparency, the KCATA will disclosure records, upon request, consistent with its obligations under this law. Therefore, absent the applicability of a specific exemption under Missouri law, parties should anticipate that all information provided will be made public. Proposers shall clearly mark each page of the unsolicited proposal that contains trade secrets or any confidential, commercial, financial, or other information which the proposer believes an exemption under the specific section of the Missouri Sunshine Act or other applicable law. The KCATA will consider other reasonable measures that are not inconsistent with the Missouri Sunshine Act and that are reasonably necessary to maintain confidentiality of information contained in proposals. Any such measure should be included in any proposal submitted to the KCATA.

In the event of litigation concerning the disclosure of any records, the KCATA's sole involvement will be as a stakeholder, retaining the records until otherwise ordered by a court. The proposer, at its sole expense and risk, shall be fully responsible for any and all costs, expenses, attorney fees and any other fees for prosecuting or defending any action concerning the nondisclosure of any records or

other information and shall indemnify and hold the KCATA harmless from all costs, fees and expenses, including attorney's fees in connection with any such action(s).