

**SIERRA VALLEY GROUNDWATER MANAGEMENT DISTRICT  
PURCHASING POLICY**

**ADOPTED – \_\_\_\_\_, 2020**

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## **SECTION 1 – INTRODUCTION AND GENERAL INFORMATION**

### **1.1 Purpose**

The purpose of this Purchasing Policy is to provide direction regarding the policies and procedures relating to procurement of goods and professional services for the Sierra Valley Groundwater Management District (District) to ensure continuity, uniformity, and fairness in the application of such policies and procedures.

### **1.2 Adoption**

The Purchasing Policy was adopted by the District Board of Directors (Board) Resolution 20-\_\_\_\_ and may be amended by Board action.

### **1.3 Purchasing Agent**

The Board Clerk is designated as the District's Purchasing Agent. All purchases of goods and acquisition of professional services require prior approval of the Board unless otherwise exempt pursuant to this Purchasing Policy. The Purchasing Agent has authority to execute goods and professional services contracts under the Board's direction.

### **1.4 Oral Purchase Commitments**

No oral purchase commitments shall be allowed.

### **1.5 Record Retention**

Pursuant to California Government Code Section 255501.5 all requisitions and related procurement documents shall be retained for a period of not less than three (3) years unless otherwise prescribed by State law. Such requisitions and related procurement documents need not be photographed, reproduced, or microfilmed prior to destruction and no copy thereof need be retained.

## **SECTION 2 – UNAUTHORIZED PURCHASES AND CONFLICT OF INTEREST**

### **2.1 Board Not Obligated for Unauthorized Purchases**

Only the Purchasing Agent, his/her designee, and the Board may commit Board funds for the purchase of goods and professional services. Unauthorized purchases in violation of this Purchasing Policy are not considered an obligation of the District and the individual making such purchases shall be held personally liable for the cost of the purchase. An unauthorized purchase may include any of the following: a) any purchase that does not meet the policies and procedures outlined in the Purchasing Policy, and b) any purchase for personal use.

### **2.2 Conflict of Interest Code**

When making procurement decisions for goods and professional services the Board shall follow the District adopted Conflict of Interest Code. District Counsel may be consulted for guidance whenever there is any question of a conflict of interest.

## **SECTION 3 – INVOICES FOR GOODS**

### **3.1 Invoice Requirements**

The payment for all goods are subject to submission and approval of an invoice in a form and content approved by the Board. The District shall not pay for goods without submission of an invoice to the Board Clerk unless specifically exempted. All invoices must be approved by the Board in advance of the requested purchase.

## **SECTION 4 – CONTRACTING FOR GOODS**

### **4.1 Procurement of Goods**

The Board Clerk may purchase “goods” including supplies and equipment in amounts of \$250.00 or less without Board approval. Purchase of goods in excess of \$250.00 shall be approved by the Board in advance and follow the requirements in Section 3 and Section 5.1 of this Purchasing Policy unless specifically exempted.

### **4.2 Goods Exempt from Informal Competitive Bid Procedures**

Procurement of goods in the amount of \$5,000.00 or less shall not be subject to Section 5.1 of this Purchasing Policy.

### **4.3 Emergency Purchases**

Emergency purchases shall only be made by the Purchasing Agent, his/her designee, and the Board when the goods so purchased are necessary for the immediate preservation of health, life, and safety. Such emergency purchases, where they exceed the amount generally requiring the bidding procedure, shall be submitted to the Board for ratification at the next meeting of the Board after the purchases.

## **SECTION 5 – BID POLICIES AND PROCEDURES**

### **5.1 Informal Competitive Bid Procedures**

The informal competitive bid procedure applies to goods and consists of:

1. Obtaining not less than three (3) written quotations from three (3) independent vendors.
2. If the subject purchase is made, the lowest cost quotation shall be selected unless the Board approves a higher quotation upon specific findings.
3. All quotations may be rejected.

To qualify as a valid quotation, the vendor submitting the quotation must be ready, willing, and able to supply the object of the quotation (i.e., goods) according to the terms and conditions of the quotation and in a commercially reasonable manner. A purchase authorized following the required informal competitive bid may not be consummated unless it is made on the price, terms, and conditions set forth in the quotation and so approved by the Board.

## **5.2 Formal Competitive Bid Procedures**

The formal competitive bid procedures apply to professional services unless specifically exempted and requires the preparation and advance approval of bidding documents or Request for Proposal (RFP) solicitations by the Board.

A notice inviting bids shall be published in a newspaper of general circulation not less than ten (10) business days before the bid deadline, shall be posted on the District's website, and may be electronically emailed to a list of known interested contractors. The bid notice shall describe the project, state where bid documents are to be obtained and filed, and the bid deadline.

In its discretion, the Board shall follow any of the following alternatives after the receiving the bids:

1. The Board shall accept the lowest responsible bid unless the Board approves a higher quotation upon specific findings.
2. The Board shall reject all bids.

The Board may cancel or amend RFP solicitations at any time and may submit similar solicitations in the future.

The opening of formal competitive bids is not subject to attendance by the general public.

The Board may reject any submittal that does not meet all of the mandatory requirements of the RFP solicitation.

The Board may request clarification of any submitted information, may request additional information on any or all responses provided, and may waive minor inconsistencies deemed to be irrelevant.

The withdrawal of any submittal by a contractor must be made in writing prior to the required submission date and time and must be signed by the contractor.

Any and all communication regarding an RFP shall be submitted in writing by email and directed to the Board Clerk. The District will provide answers and clarifications by posting an addendum to the RFP on the District's website.

An evaluation panel will be assembled and approved by the Board. The evaluation panel will review and rank proposals using developed proposal evaluation criteria. The contractors with the highest three (3) scores will be invited to an interview. During interviews at a minimum contractors shall make a presentation and respond to a standard set of questions.

The contractor with the overall highest rating from the proposal review and interview will be selected to negotiate a professional service agreement with the District.

The District may discuss proposals and negotiate modifications as a part of the selection process.

## **5.3 Informal and Formal Competitive Bid Procedure Exemptions**

Goods purchase orders and professional service agreements may be awarded without competitive solicitation when there is only one vendor or contractor available or capable of providing the required goods or professional services, where there are limitations in the availability of potential contractors, or when the professional services required are of such as specialized nature that precludes competitive solicitations.

#### **5.4 Disclosure of Information**

All information and materials submitted to the District in response to bids may be reproduced by the District for the purpose of providing copies to authorized personnel involved in the evaluation of the proposals, but shall be exempt from public inspection under the California Public Records Act until such time as an agreement is executed. Once an agreement is executed, proposals submitted in response to bids are subject to public disclosure as required by law. Contractor's submission of a proposal is considered their consent to the District's disclosure of the proposal. The District shall not be liable for disclosure of any information or records related to procurements.

#### **5.5 Board Members and Employees Prohibited from Bidding**

No Board member or employee shall be permitted to submit a bid on goods or professional services.

### **SECTION 6 – CONTRACTING FOR PROFESSIONAL SERVICES**

#### **6.1 Professional Services Procurement**

“Professional Services” means and includes the performance of a task involving utilization of personnel who are retained in writing by a contract or the District's Professional Service Agreement (Agreement).

Services in which the Board cannot provide, either because of workload capacity or lack of specialized expertise, may be provided through an Agreement under the following conditions:

1. The contractor is a legal entity or the contractor is one who meets the basic requirement to enter into an independent contractor relationship, including a majority of the following criteria:
  - a. Possesses licensure;
  - b. Possesses advanced academic and/or professional degrees;
  - c. Operates an independent business including clients other than the Board;
  - d. Routinely provides services on an independent contractor fee for services basis;
  - e. Provides own equipment, supplies, and personnel;
  - f. Works primarily without supervision as to time, manner, and methods utilized to perform services;
  - g. Maintains own liability insurance including commercial general, professional, and automobile;
  - h. Maintains own workers' compensation insurance policy or has no employees;
  - i. Maintains own books and records;
  - j. Files own payroll, and state and federal income tax returns applicable to service income and expenses;
  - k. Routinely bills for services; and
  - l. Agreeable to the terms and conditions of the District's Professional Service Agreement.

## **6.2 Competitive Bidding and Negotiations**

The formal competitive bid procedures in Section 5.2 of this Purchasing Policy shall be required for all contractors retained for professional services unless specifically exempted under Section 6.3 and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. Formal competitive bidding may be waived by the Board for any contractual arrangement that is specifically made exempt by statutes, this Purchasing Policy, or Board ordinances.

## **6.3 Professional Services Exempt from Formal Competitive Bid Procedures**

Contracting for professional services in the amount of \$15,000.00 or less shall not be subject to Section 5.2 of this Purchasing Policy.