



Sierra Valley
Groundwater
Management District

Appendix 1-4: SVGMD Purchasing Policy



**SIERRA VALLEY GROUNDWATER MANAGEMENT DISTRICT
PURCHASING POLICY**

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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, professional services, and construction contracts 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 20-03 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 and construction contracts 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 and construction 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, professional services, and construction contracts. 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, professional services, and construction contracts 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 and construction contracts unless specifically exempted and requires the preparation and advance approval of bid 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 for professional services and construction contracts:

1. The Board shall accept the lowest responsive and responsible bidder unless the Board approves a higher quotation upon specific findings.
2. The Board shall reject any or all bids.

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

A pre-bid conference may be held.

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

The opening of formal competitive bids for construction contracts shall be publically opened and read aloud. An abstract of the amounts of the base bids and major alternatives, if any, shall be made available to the bidders after the opening of the bids.

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 for any reason whatsoever, and may waive irregularities or informalities in any bid or in the bidding and minor inconsistencies deemed to be irrelevant.

The modification or withdrawal of any bid documents or RFP submittal by a contractor for construction contracts or professional services prior to the required submission date and time for formal competitive bid openings must be made in writing and must be signed by the contractor. No construction contracts bidder shall withdraw his or her bid for a period of sixty (60) calendar days following the date of the bid opening.

Any and all questions and communication regarding an RFP shall be submitted in writing by email and directed to the Board Clerk. The District will provide answers and clarifications in writing by posting an addendum or addenda to the bid documents or RFP on the District's website. The District reserves the right to issue an addendum or addenda to clarify, correct, or change the bid documents or RFP solicitations as deemed necessary.

An evaluation panel will be assembled and approved by the Board for professional services. 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 for professional services 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 professional services proposals and negotiate modifications as a part of the selection process.

5.3 Informal and Formal Competitive Bid Procedure Exemptions

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

5.4 Disclosure of Professional Services Bid Information

All information and materials submitted to the District in response to professional services 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, professional services proposals submitted in response to bids are subject to public disclosure as required by law. Contractor's submission of a professional services 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.

SECTION 7 – CONSTRUCTION CONTRACTS FOR WORK

7.1 Construction Contract Procurement

“Construction Contracts” means and includes the performance of work as specified or indicated in the contract bid documents and the District's Agreement Between Owner and Contractor for Construction Contract (Agreement).

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

1. The contractor, and any subcontractor, is a legal entity or the contractor, and any subcontractor, is one who meets the basic requirement to enter into an independent contract relationship, including a majority of the following criteria:
 - m. Possesses valid licenses of a class corresponding to the work to be done as required by the State of California's Contractors' License Law in addition to any applicable business licenses in the local jurisdiction of the work;
 - n. Possesses required permits;
 - o. Operates as an independent contractor doing business including clients other than the Board;
 - p. Routinely provides services on an independent contractor fee for services basis;

- q. Provides own equipment, supplies, and personnel;
- r. Performs work primarily without supervision as to time, manner, and methods utilized;
- s. Maintains own liability insurance including commercial general, professional, and automobile;
- t. Agrees to be bound by all the provisions of the Labor Code, as required, regarding prevailing wage and maintains own workers' compensation insurance policy or has no employees;
- u. Shall furnish bonds including faithful performance and labor and materials, as required, in favor of the District;
- v. Maintains own books and records;
- w. Files own payroll, and state and federal income tax returns applicable to service income and expenses;
- x. Routinely bills for services; and
- y. Agreeable to the terms and conditions of the District's Agreement Between Owner and Contractor for Construction Contract.

7.2 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 construction work unless specifically exempted under Section 7.3 and shall comply with all applicable laws and regulations regarding the securing of competitive bids. 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.

7.3 Construction Contracts Exempt from Formal Competitive Bid Procedures

Contracting for construction work in the amount of \$10,000.00 or less shall not be subject to Section 5.2 of this Purchasing Policy.