

CHAPTER 3 – PURCHASE POLICY AND PROCEDURES

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3.000 - Introduction

Government Code Section 61063 provides that each community services district shall adopt policies and procedures, including bidding regulations, governing the purchases of supplies and equipment not governed by Article 43 (commencing with Section 20608) of Chapter 1 of Part 3 of the Public Contracts Code.

3.100 - Applicability

- A. The following policies are established for the purchase of supplies and equipment, as referenced in Government Code Section 54202.
- B. The procedures established herein shall not apply to the construction of any unit of work, as referenced in Public Contract Code Section 20680 et seq., the payment of contracted services or other payments that are authorized by statute or policies of the Board of Directors, such as personnel policies or the hiring of consultants.

3.200 – Purchasing Agent

The District General Manager shall act as the Purchasing Agent for the District in connection with obtaining material, supplies and services.

3.300 – Budget Consistency

All purchases by the District Purchasing Agent shall be consistent with budgets duly adopted by the District Board of Directors.

3.400 – Purchases of Materials, Supplies, and Services with an Estimated Cost of Less than \$20,000.00

- A. The Purchasing Agent shall seek the most favorable terms and price through comparative pricing or competitive bidding, whichever method the Purchasing Agent deems most appropriate under the circumstances.
- B. The Purchasing Agent shall attempt to obtain at least three written quotations for purchases with an estimated cost in excess of \$2,500.00
- C. The Purchasing Agent may issue a warrant or change order up to \$5,000.00 with the counter-signature of a member of the Board of Directors.

- D. Board approval shall not be required for materials, supplies and services of a recurring nature, the cost of which is not subject to negotiation and is fixed by tariff or regulation such as utility services; nevertheless, the Board shall approve all contracts for such material, supplies and services prior to the execution thereof.
- E. If the purchase of materials, supplies and services requires the execution of a formal contract, such contract shall be approved by the Board and executed by the president or General Manager.
- F. The General Manager may determine the existence of an emergency and thereon issue warrants up to ten thousand dollars (\$10,000) with a counter signature of a member of the Board of Directors. Said emergency shall be described in a written memorandum presented to the Board of Directors at the next regularly scheduled meeting of the Board of Directors.

3.500 – Purchases of Materials, Supplies, and Services Equal to or Greater than \$20,000.00

- A. Purchases and contracts for supplies and equipment equal to or greater than \$20,000.00 shall be by written contract with the vendor who, in response to the Notice of Inviting Proposals, submits a proposal that most closely meets the District's specifications with the consideration of price and delivery dates.
- B. Notice of Inviting Proposals shall include the following:
 - (1) A statement of specifications of equipment and/or supplies to be purchased;
 - (2) The location and deadline for submission of proposals;
 - (3) The location where the specifications and proposal blanks forms, if required, may be secured;
 - (4) The date, time and place assigned for the opening of sealed proposals;
 - (5) The type and character of proposal security required, if any;
 - (6) A statement that the District intends to award the Contract to the vendor who submits a proposal that most closely meets the District specifications with the consideration of price and delivery dates.
 - (7) That the District reserves the right to reject all proposals; and
 - (8) Notice that no vendor can withdraw its proposal for a period of 60 days from the date of opening proposals.
- C. The Notice of Inviting Proposals shall be published and distributed by the Purchasing Agent in a manner to reasonably assure that the proposed purchase is made to the lowest responsive and responsible vendor.
- D. Alternative Procedure. As an alternative to the procedures described in Paragraphs A, B and C, above, the Board of Directors may approve the purchase of supplies and equipment by accepting a proposal submitted by a vendor to another agency for similar equipment and/or supplies upon the Board of Directors approving the purchase by Resolution making the following findings:
 - (1) The other agency's procedures for the purchase were substantially similar to the District's procedures as stated in Paragraphs A, B and C, above.

- (2) The equipment and/or supplies to be purchased by District is substantially similar to the supplies and equipment purchased by the other agency, so that the submitted proposals would be responsive to the District's specifications.
- (3) The negotiations regarding the purchase are minor and the proposed purchase is consistent with the policy of awarding the contract to the most responsive vendor with the consideration of price and delivery date.

3.600 – Non-Competitive Negotiations

This approach involves procurement of supplies and equipment through solicitation of a proposal from only one source. Such negotiations may be used in limited situations when the award of a contract is not feasible under the other methods and when said purchase is approved by resolution of the Board of Directors upon the following findings: (1) the purchase price is reasonable, and (2) one or more of the following exists:

- A. The product is the only one that will properly meet the needs of the District because:
 - (1) The item is unique and is available only from a sole source; or
 - (2) The item is unique and is designed to match others used in or furnished to a particular installation, program, facility or location.
- B. Public exigency or emergency will not permit delay.
- C. The Federal Grantor authorized non-competitive negotiations.

3.700 – Consistency with State and Federal Laws

In the event these policies and procedures are inconsistent with State or Federal law, then said State or Federal law shall control.