



## **CAMBRIA COMMUNITY SERVICES DISTRICT**

### **PROCUREMENT POLICIES AND PROCEDURES POLICY 2135**

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## **Chapter 1 - Policy**

### **1.1 Purpose**

It is in the interest of the Cambria Community Services District (CCSD) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings, and to establish procurement standards that comply with requirements contained in Federal regulations.

### **1.2 Procedures**

This Procurement Policy provides the authority, approval requirements, and procedures for the procurement of materials, supplies, equipment, services, and Public Works referenced in the approved fiscal year budget.

### **1.3 Definitions**

- A. CCSD: Cambria Community Services District.
- B. General Manager: The CCSD General Manager.
- C. Administrative Department Manager: The Administrative Department Manager.
- D. Board of Directors or Board: The CCSD Board of Directors, which establishes policies for the operation of the CCSD.
- E. Capital Equipment: Equipment with a useful life of two years or more and value of more than five thousand dollars (\$5,000) as designated by the General Manager.
- F. Contract: A written agreement covering the performance of work or services, including the furnishing of labor, materials, tools, and equipment in performing services to the CCSD. The term Contract includes Purchase Orders.
- G. Department Manager: The Administrative Department Manager, Facilities & Resources Department Manager, Utilities Department Manager, and/or Fire Chief.
- H. Change Order or Contract Amendment: Alterations, deviations, additions to or deletions from the plan, specifications, and/or scope of services, including the right to increase or decrease the quantity of any item or portion of the work or services or to delete any item or portion of the work or services as may be deemed to be necessary, as determined by the CCSD, for the proper completion and/or construction of the work or services contemplated.
- I. Task Order Contract: A Contract with a pre-qualified consultant or contractor in which specific services are contracted through Task Orders. Task Order Contracts for public works projects are limited to amounts up to \$60,000 as negotiated Contracts pursuant to Public Contracts Code Section 22032(a).
- J. Emergency: A sudden, unexpected occurrence involving a clear and imminent danger that demands immediate action to prevent or mitigate loss of or damage to life, health, property, or essential public services.

- K. Purchasing Agent: Department Manager.
- L. Purchase Order: A form designed to contain all necessary information and signatures relevant to purchases by the CCSD and used as a written order to a vendor, which may be either an original order or a verbal order. The current Purchase Order forms may be developed and/or modified from time to time at the discretion of the General Manager.
- M. Recurring Expenditures: Administrative expenditures that occur from time to time in the normal course of CCSD business, including, but not limited to, the following: utilities (electricity, natural gas, telephone service, etc.), servicing of CCSD equipment under Contract, fuel for the operation of CCSD vehicles and equipment, debt service payments, payroll, payroll taxes and benefits, insurance, postage, postage meter rental, and ongoing rental payments.
- N. Warrants: Checks and electronic payment for materials, supplies, equipment, Public Works, and services received by the CCSD.
- O. Public Works: A broad category of infrastructure projects procured by a government body for recreational, health, and safety uses in the greater community, and includes any “public project” as set forth in Public Contracts Code Section 22002.
- P. Procurement: The process of locating and agreeing to terms and purchasing goods, services, or other works from an external source, often with the use of a tendering or competitive bidding process.
- Q. Force Account: A method of using a government agency’s or public entity’s resources to complete a project without competitive bidding or negotiated contracts.

#### **1.4 Fiscal Year Budget**

The fiscal year budget approved by the Board provides the authority to CCSD staff to procure materials, supplies, equipment, services, and Public Works referenced in the approved budget.

To the extent any provision herein conflicts or is inconsistent with State or Federal law, then said State or Federal law shall control, but only to the extent of the inconsistency, and no other provisions herein shall be affected.

#### **1.5 Severability**

If any one or more of the provisions/sections contained in this Procurement Policy shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Procurement Policy shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

#### **1.6 Monitoring**

- A. It is important for the CCSD to evaluate materials, equipment, and services of all current suppliers. Suppliers with a low rating can be viewed as costing the CCSD time and money and therefore should be terminated upon documentation.

- B. To obtain the best prices possible, vendors contacted for quotes and/or bids shall be reviewed periodically to ensure competitive pricing and maintenance of vendor lists.
- C. This Procurement Policy shall be reviewed periodically and updated where deemed appropriate to reflect changes in the CCSD's operations, with Board approval. The General Manager, acting with the Board, may make changes to this Procurement Policy at any time to facilitate a more efficient and accountable procurement process for the CCSD.

### **1.7 Procurements Containing Both Equipment and Services**

When contracting for services that include the purchase and installation of equipment such as computers and electronic devices, the determination of whether the purchase should be as a procurement of material, supplies, and equipment or the procurement of services shall be made at the General Manager's discretion after considering the costs of the equipment, whether the equipment is unique to the person or firm providing the services, and regardless of the cost of the services.

### **1.8 Compliance with Other District Policies and Potential Conflicts**

Procurement practices must comply with other District policies and procedures such as the CCSD Recycled Content Paper Procurement Policy. If there is a conflict between policies, the General Manager's discretion will determine the appropriate solution.

### **1.9 Federally Declared Emergencies**

In the event of an emergency declared by the President of the United States, CCSD must comply with Federal procurement standards as a condition of receiving public assistance funding from the Federal Emergency Management Agency (FEMA) for contract costs for eligible work. FEMA funding is governed by Title 2 of the Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. In a Federally declared emergency, CCSD will utilize the required FEMA purchasing regulations for all new expenditures eligible for reimbursement. CCSD will abide by the District's Procurement Policies when possible, but if a conflict exists, the Federal regulations will take precedence.

### **1.10 Procurement Related to Federal Grants**

In the event the CCSD receives Federal grant awards, CCSD must comply with Federal procurement standards as a condition of receiving funding as governed by Title 2 of the Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for all related purchases. CCSD will abide by the District's Procurement Policies when possible, but if a conflict exists, the Federal regulations will take precedence.

### **1.11 Conflicts of Interest**

- A. CCSD employees, Department Managers, and Directors are prohibited from using the following practices in conducting business activities:
  - 1. Practices that might result in unlawful activity, including rebates, kickbacks, commissions, or other unlawful considerations.
  - 2. Participating in the selection process when the employee, Department Manager, or Director has

a relationship with a person or business entity seeking a contract which would subject the employee to the same prohibition as in Government Code Section 87100 related to Conflicts of Interest, which provides:

"No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest."

3. Purchasing or otherwise acquiring CCSD property and equipment, including surplus property and equipment, for personal use or profit.
4. CCSD employees may not perform services for the CCSD on a contractual basis. Employees may not economically benefit from their employment within the CCSD except as related to their approved salary and benefits.

Any employee who fails to adhere to the provisions of this Section may be subject to disciplinary action in accordance with the CCSD's Personnel Policy, Procedures and Rules.

- B. No CCSD employee, Department Manager, or Director shall accept, directly or indirectly, any gift, rebate, money, or anything else of value from any person or entity if such gift, rebate, money, or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the recipient's position with CCSD to secure an agreement with the CCSD.

#### **1.12 Ethical Conduct in Procurement**

- A. Ethical conduct in managing the CCSD's procurement activities is essential. Staff must always be mindful that they represent the District and the Board of Directors and share a professional trust with other staff and the public. Therefore, when making a purchase, they must keep in mind the following factors:
  1. Is this purchase necessary for the job at hand or for the CCSD to carry on its normal business activities?
  2. Is this purchase reasonable and/or the lowest cost?
- B. This Policy explicitly prohibits splitting Purchase Orders in a fiscal year to evade the specified dollar limits and avoid its procurement requirements. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.

## **Chapter 2 - General**

### **2.1 Signing Authority**

The General Manager, or in his or her absence, the Administrative Department Manager, is hereby authorized to sign on behalf of the CCSD the following documents:

1. Any documents necessary to conduct the general business of the CCSD that do not require prior approval of the Board of Directors.

2. Any documents necessary to conduct the general business of the CCSD requiring approval of the Board after said documents have received approval of the Board of Directors.
3. Any agreements or other documents necessary to secure and receive state, federal, or other agency grants or loans.
4. Any agreements or documents necessary for the receipt and/or disbursement of any grant monies contracted for by the CCSD.

## **2.2 Budgeted Procurements**

- A. **Budget:** At the beginning of each Fiscal Year, the Administrative Department Manager shall issue a complete CCSD budget approved by the Board. This budget will contain the purchasing account titles and numbers corresponding to the budgeted funds for each item. Each CCSD department will receive its budget for conducting purchasing transactions. Each Department Manager is responsible for controlling spending and monitoring the funds in the account line items. A quarterly status report will show a comparison between budgeted amounts and the department's purchasing activity.

The General Manager is authorized to exceed budgeted expenditures by twenty percent (20%) without Board approval. If this occurs, the General Manager shall account to the Board at the mid-year budget review, or after its completion, within sixty (60) days of the expenditures, and request the appropriate budget amendments and/or transfers.

- B. **General Manager Approval:** Subject to Section C below, the General Manager or, in his or her absence, the Administrative Department Manager shall approve all Contracts, Contract Amendments, Change Orders, Task Order Contracts (and related Task Orders), and Purchase Orders. "Absence" means the General Manager's inability to exercise their authority at the time when the CCSD needs to take the necessary steps to procure goods or services.

If the total price of a budget line item exceeds the budgeted amount by more than 20%, the General Manager's approval will be required.

- C. **Board Approval Required:** Board approval is required for the following.

1. Contracts, Contract Amendments, and Purchase Orders for the purchase of supplies, equipment, materials, or recurring expenditures outside of the already approved fiscal year budget, where the estimated cumulative cost is fifty thousand dollars (\$50,000) or more.
2. Professional service Contracts and Amendments where the estimated cumulative cost is fifty thousand dollars (\$50,000) or more.
3. Public Works Contracts where the estimated cumulative cost is two hundred thousand dollars (\$200,000) or more, or the threshold specified in Public Contract Code Section 22032(c) as it may be amended.
4. Task orders or Task Order amendments where the original scope of service or work is exceeded by twenty thousand dollars (\$20,000), provided that for Public Works projects, such total contract amount does not exceed the amount specified in Public Contract Code Section 22032(a).

5. All capital improvement projects through the yearly budget process or a budget adjustment.

### 2.3 Emergency Procurements

Upon the written finding of the General Manager that an emergency exists, the General Manager is authorized to approve unbudgeted expenditures up to fifty thousand dollars (\$50,000). The General Manager shall account to the Board within thirty (30) days of the expenditures and request the appropriate budget amendments and/or transfers.

### 2.4 Methods of Procurements

The following chart summarizes methods of procurement by category.

- A. Supplies, Equipment, and Recurring Expenditures:** See Chapter 3 below for procedures and limitations.

<b>DOLLAR AMOUNT</b>	<b>PROCUREMENT METHOD</b>
\$0-\$4,999	No purchase order required.
\$5,000-\$9,999	Verbal quote, (minimum 2 quotes) purchase order, or contract required.
\$10,000-\$24,999	Written quote, (minimum 2 quotes) purchase order, or contract required.
\$25,000-\$49,999	Prepare request for proposal
\$50,000+	Prepare request for proposal – Board approval required for contract or purchase order if amount is equal to or exceeds fifty thousand dollars (\$50,000)

- B. Professional Services:** See Chapter 4 below for procedures and limitations.

<b>DOLLAR AMOUNT</b>	<b>PROCUREMENT METHOD</b>
\$0-\$24,999	Solicit proposals from a qualified consultant/professional by whatever method the purchasing agent deems appropriate under the circumstances.
\$25,000-\$49,999	Prepare request for qualification and/or request for proposal
\$50,000+	Prepare request for qualification and/or request for proposal – Board approval required for contract or purchase order if amount is equal to or exceeds fifty thousand dollars (\$50,000)

**C. Public Works:** See Chapter 5 below for procedures and limitations.

<p style="text-align: center;"><b>DOLLAR AMOUNT</b></p> <p style="text-align: center;">(Dollar limits are provided in the Uniform Public Construction Cost Accounting Act and may subsequently be amended.)</p>	<p style="text-align: center;"><b>PROCUREMENT METHOD</b></p> <p style="text-align: center;">(Informal bidding procedures are provided in the Uniform Public Construction Cost Accounting Act and may subsequently be amended.)</p>
<p style="text-align: center;">\$0-\$74,999</p>	<p>May be performed by CCSD employees by force account, by negotiated Contract, or by purchase order.</p>
<p style="text-align: center;">\$75,000-\$219,999</p>	<p>Contract by informal procedures as set forth in the Uniform Public Construction Cost Accounting Act. General Manager may approve in accordance with CCSD Municipal Code Section 1.06.010(D).</p>
<p style="text-align: center;">\$220,000+</p>	<p>Contract by formal procedures as set forth in the Uniform Public Construction Cost Accounting Act. Board approval of contract required.</p>

**Chapter 3 – Procurement of Materials, Supplies, Equipment, and Recurring Expenditures**

**3.1 Introduction**

- A. The following procedures are established for the procurement of materials, supplies, and equipment, as referenced in Government Code Section 54202.
  
- B. In addition to the procedures of this Chapter:
  1. The CCSD may request the State Department of General Services to make purchases of materials, equipment, supplies, or recurring expenditures on its behalf pursuant to Public Contract Code Section 10298.
  
  2. The CCSD may request the Purchasing Agent of the County of San Luis Obispo to make purchases of materials, equipment, supplies, or recurring expenditures on its behalf pursuant to Article 7 (commencing with Section 25500) of Chapter 5 of Division 2 of Title 3 of the Government Code.
  
  3. The CCSD may rely on a legally compliant solicitation conducted by another local, regional, state, or national public agency or cooperative purchasing entity provided that the materials, supplies, and equipment are provided to the CCSD at the same price and on the same terms and conditions as in that solicitation.



C. Methods of Procurement

1. Purchases of materials, supplies, equipment, and recurring expenditures are normally made pursuant to Purchase Orders as described in this Chapter.
2. A Contract may substitute for a Purchase Order at the discretion of the Purchasing Agent and with the approval of the General Manager and CCSD Legal Counsel.

**3.2 Purchases of Materials, Supplies, and Equipment with an Estimated Cost of Less Than Twenty-Five Thousand Dollars (\$25,000)**

For purchases of materials, supplies, and equipment with an estimated cost of less than \$25,000, the following shall apply:

**A. Types of Quotations**

1. No Purchase Order is required for standard or non-complex materials with an estimated price of less than \$5,000.
2. Verbal. For purchases of standard or non-complex materials with an estimated price of \$5,000 to \$10,000 and not covered by a contractual agreement, verbal quotations will be requested from a minimum of two (2) vendors.
3. Written. Under the following conditions, written requests for quotations (RFQ) will be sent to a minimum of two (2) vendors:
  - a. Purchases are estimated to total between \$10,000 and \$24,999.
  - b. All Capital Equipment purchases total between \$10,000 and \$24,999.
  - c. Non-standard conditions, requirements, instructions, etc.
  - d. Any occasion where more permanent documentation is advisable.
  - e. Any purchase is based on best value rather than lowest price.

**B. Award of Purchase Orders:** The Department Manager will examine the quotations for completion and then determine the most responsive bidder, considering price and date of delivery. The quotation will be attached to the Purchase Order. The Department Manager will make the Purchase Order and award it after reviewing it with the General Manager. The Department Manager or his or her designee will notify the successful and unsuccessful vendors.

**3.3 Purchases of Materials, Supplies and Equipment Equal to or greater Than Twenty-Five Thousand Dollars (\$25,000)**

- A. The Board shall approve purchases of material, supplies, and equipment greater than twenty-five thousand dollars (\$25,000) with the vendor who, in response to the Request for Proposal, submits a proposal that most closely meets the CCSD's specifications, considering price and delivery dates.
- B. The Department Manager shall publish and distribute the Request for Proposals (RFP) to reasonably

assure that the proposed purchase is made to a vendor that most closely meets the CCSD's specification, considering price and delivery date.

C. The Request for 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 forms, if required, may be secured;
4. The proposed delivery date and place of delivery;
5. The date, time, and place assigned for the opening of sealed proposals;
6. The type and character of proposal security required, if any;
7. A statement that the CCSD intends to award the Contract to the vendor who submits a proposal that most closely meets the CCSD specifications with the consideration of price and delivery dates.
8. That the CCSD reserves the right to reject all proposals; and
9. Notice that no vendor can withdraw its proposal for a period of sixty (60) days from the date of opening proposals.

D. Alternative Procedure. As an alternative to the procedures described in Paragraphs A, B, and C above, the Board may approve the purchase of supplies and equipment by accepting a proposal submitted by a vendor to another public agency for similar equipment and/or supplies upon the Board approving the purchase by Resolution making the following findings:

1. The other agency's procedures for the purchase were substantially similar to the CCSD's procedures as stated in Paragraphs A, B, and C above.
2. The equipment and/or supplies to be purchased by CCSD are substantially similar to those purchased by the other agency, so the submitted proposals would be responsive to CCSD'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.

### **3.4 Non-Competitive Negotiations**

A. Under some circumstances, the CCSD competitive solicitation requirements may be dispensed with when the services, materials, supplies, equipment, and recurring expenditures are only available from one source, either because the brand or trade name article, goods, or product is the only one that will properly meet the needs of the CCSD or because the item is unique and available only from a sole source.

B. This approach involves procurement of materials, 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 or Purchase Order is not feasible under other methods 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 CCSD because:
    - i. The item is unique and is available only from a sole source; or
    - ii. The item is unique and is designed to match others used in or furnished to a particular installation, program, facility, or location.
  - b. The product will be used in a field test or experiment to determine the product's suitability for future use.
  - c. The procurement is for the renewal or extension of a Contract for continuing professional services to the CCSD.
  - d. Public exigency or emergency will not permit delay.
  - e. A Federal Grantor authorized non-competitive negotiations.

C. Findings

1. The Department Manager shall make written findings referenced in subparagraph B2 above to be approved by the General Manager for purchases less than fifty thousand dollars (\$50,000) not otherwise approved by the Board.
2. The Board, by Resolutions, shall adopt findings for purchases referenced in subparagraph B2 above for purchases of fifty thousand dollars (\$50,000) or more.

**3.5 Purchase Order Preparation**

- A. Purchase Orders shall be prepared using a properly completed Purchase Order form. The form is designed to contain all the necessary information and signatures relevant to the purchase within the CCSD.
- B. The Purchase Order form is a written order to a vendor and shall include a Purchase Order number. A Purchase Order may also serve as a written change order. Purchase Orders must be approved as referenced in Section 3.2 above.
- C. Each Purchase Order form shall be filled out by the CCSD employee prior to CCSD funds being obligated for purchase and shall contain the following information:
  1. Purchase Order number, date, department, and who wrote it;
  2. To whom the Purchase Order is issued, together with a complete address;

3. Quantity/unit and description of the item(s) to be purchased;
  4. General Ledger account number to be charged;
  5. Unit price and extended amount (depending upon quantity);
  6. If applicable, the words "OPEN PO" and "EXPIRATION DATE" are not to exceed past the end of the current fiscal year at the top of the purchase order form;
  7. The words "NOT TO EXCEED" if it is for a repetitive purchase or a Contract amount;
  8. The total amount of the Purchase Order, including charges for freight and tax, if applicable;
  9. The written quote or estimate, a copy of the Contract, or other backup supporting documentation.
- D. The following intermediate supervisory or management staff, as approved by the General Manager, can initiate and authorize a Purchase Order up to \$9,999:
1. Facilities & Resources Manager
  2. Fire Chief
  3. Utilities Department Manager
  4. Wastewater Systems Superintendent
  5. Water Systems Superintendent
- E. All Purchases of \$10,000 or over will require the signature of a Department Manager.
- F. The General Manager or his or her designee must approve all Purchase Orders. The Purchase Order date must precede the order date.
- G. Any incomplete Purchase Orders will be returned to the Department Manager for completion.
- H. Insofar as it does not conflict with any other Procurement Policy limitations, a Purchase Order may be exceeded by up to 10% of the original Purchase Order amount. No increase may be given for quoted prices.

### **3.6 Open Purchase Orders**

- A. A blanket or open Purchase Order can be used to reduce the time-consuming process of filling out a Purchase Order form for each purchase when it is with the same vendor and for repeat materials.
- B. Open Purchase Orders are to be used when the CCSD will:
1. Purchase repetitive, specified services or items or categories of items from the same vendor over a period of less than one year or on a monthly basis.
  2. Order standard materials or maintenance supplies which require numerous shipments.
  3. Obtain more favorable pricing through volume commitments.
- C. An employee making a purchase with an open Purchase Order vendor shall immediately transmit the invoice to their Department Manager for processing. The Department Manager shall sign the invoice and indicate the budgetary account on the face of the invoice and promptly route the invoice to Accounts Payable for payment.
- D. Open Purchase Orders generally must NOT be used when:

1. No benefit will be derived over and above a regular purchase.
  2. Prices are unknown at ordering time or subject to change later without notice.
  3. The quality of the vendor or service is questionable.
  4. Control over CCSD expenditures would be weakened significantly.
- E. An open Purchase Order differs from a standard Purchase Order only in the date entry block, with a date range that does not exceed the end of the current fiscal year.
- F. Each year during June, each Department Manager will review all department blanket Purchase Orders and reissue all necessary blanket Purchase Orders effective July 1.

## **Chapter 4 – Procurement of Professional Services**

### **4.1 Applicability**

- A. The procedures established herein are for the procurement of professional and consulting services including, but not limited to, auditors, financial advisors, technology advisors, rate consultants, private architects, landscape architects, engineers, environmental consultants, land surveyors, and/or construction project managers, or other individuals or organizations possessing a high degree of professional, unique, specialized technical skill or expertise which is not always adaptable to competitive bidding. Special provisions apply if the CCSD is seeking the professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms. The selection must then be based on the demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required in accordance with Government Code Section 4526. Government Code Section 4526 does not apply when the CCSD determines that the services are of a more technical nature and involve little professional judgment and that requiring bids would not be in the public interest. (Government Code Section 4529.)
- B. It is the policy of the CCSD to employ professional and other consultant services whenever it is in the CCSD's best interest.
- C. The requirements to solicit proposals referenced in Sections 4.4 & 4.5 below do not apply to:
1. Contract Amendments so long as the Amendment is related to the completion of the contemplated work or services of the original Contract.
  2. Contracts for the continuation of professional service where the key personnel providing services have relocated to a different firm or company.
  3. Contracts for services related to litigation.

### **4.2 Method of Procurement**

Procurement of Professional Services is normally made pursuant to a contract or Task Order Contract.

#### **4.3 Qualifications**

Professional service Contracts shall be awarded based on demonstrated competence and qualifications for the type of service to be performed and at a fair and reasonable price to the CCSD.

#### **4.4 Professional Services with An Estimated Cost of Less Than Fifty Thousand Dollars (\$50,000)**

- A. For Contracts estimated to be less than fifty thousand dollars (\$50,000), the Department Manager will solicit proposals from three (3) qualified consultants and professionals by whatever method the Department Manager deems most appropriate.
- B. Professional services will only be procured through a Contract approved by the General Manager and CCSD legal counsel.

#### **4.5 Professional Services with An Estimated Cost of Fifty Thousand Dollars (\$50,000) Or More**

- A. For Contracts estimated to be fifty thousand dollars (\$50,000) or more, the Board of Directors shall approve the award of professional service contracts.
- B. The written Contract shall be awarded to the professional service provider who, in response to a request for proposal, submits a statement of qualifications and proposal for services that most closely meets the CCSD's requirements at a fair and reasonable cost.

#### **4.6 Non-Competitive Negotiations**

- A. Under some circumstances, the CCSD competitive solicitation requirements may be dispensed with when the professional service is only available from one source, either because the professional service provider is the only provider that will properly meet the needs of the CCSD, or the professional service is unique and available only from a sole source.
- B. This approach involves the procurement of professional services through the solicitation of proposals from only one source. Such negotiations may be used in limited situations based on the following findings:
  - 1. The service provider is qualified pursuant to Section 4.3;
  - 2. The cost of the services is reasonable;
  - 3. One or both of the following exists:
    - a. The proposed service provider is uniquely knowledgeable and qualified because similar/related services have been previously provided to the CCSD; or
    - b. An emergency will not permit delay.
- C. Findings
  - 1. The Department Manager shall submit written findings referenced in subparagraph A above to be approved by the General Manager for Professional Services Contracts where the cumulative costs are estimated at less than fifty thousand dollars (\$50,000) and the costs are not otherwise approved by the Board.

2. The Board, by Resolutions, shall adopt the findings referenced in subparagraph A above for Professional Services Contracts where the cumulative costs are estimated at fifty thousand dollars (\$50,000) or more.

## **Chapter 5 – Procurement of Public Works**

### **5.1 Uniform Public Construction Cost Accounting Act (UPCCAA)**

Pursuant to Public Contract Code Section 20682(g), the CCSD has elected to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA), Public Contract Code Sections 22000 et seq., when contracting for the construction of public projects as defined by Public Contract Code Section 22002 (reference CCSD Municipal Code Section 1.06.010). Where applicable, the CCSD will adhere to the alternative bidding procedures provided by the UPCCAA. Public projects (as defined in Public Contract Code Section 22002) that do not exceed the dollar limits in Public Contract Code Section 22032(b) (as such limits currently exist or may subsequently be amended) may be let to contract by informal procedures as set forth in the UPCCAA.

### **5.2 UPCCAA Contracting Procedures and Dollar Amount Limitations**

Contracts for public projects shall be awarded pursuant to the dollar limitations established by the UPCCAA (Public Contract Code Section 22032), which, as of the time of the adoption of this Policy, are as follows:

- A. Public projects of seventy-five thousand dollars (\$75,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.
- B. Public projects of two hundred twenty thousand dollars (\$220,000) or less may be let to contract by informal procedures as set forth in the UPCCAA. Contracts between \$75,001 and \$220,000 require Board approval.
- C. Public projects of more than two hundred twenty thousand dollars (\$220,000) shall, except as otherwise provided in the UPCCAA, be let to contract by formal bidding procedures. Contracts over \$220,000 require Board approval.

Pursuant to Public Contract Code Section 22033, it shall be unlawful to split or separate into smaller work orders or projects any public project for the purpose of evading the requirements of the UPCCAA.

### **5.3 Informal Bidding Procedures**

Pursuant to the UPCCAA (Public Contract Code Section 22034), the CCSD enacted an informal bidding ordinance to govern the selection of contractors to perform public projects subject to informal bidding procedures under Public Contract Code Section 22032(b). The CCSD's informal bidding ordinance is codified in Section 1.06.010 of the CCSD Municipal Code.

Pursuant to Public Contract Code Section 22034(d), if all bids received pursuant to the CCSD's informal bidding procedures are in excess of two hundred twenty thousand dollars (\$220,000), the Board may, by adoption of a resolution by a four-fifths vote, award the Contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the CCSD was reasonable. Dollar limits are subject to changes in the Public Contract Code Section 22034(d).

### **5.4 Formal Bidding Procedures**

The formal bidding procedures provided by the UPCCAA (Public Contract Code Sections 22037 et seq.) will



govern the selection of contractors to perform public projects subject to formal bidding procedures under Public Contract Code Section 22032(b).

## **5.5 Emergencies**

- A. Pursuant to Public Contract Code Section 22035, in cases of emergency when repair or replacements are necessary, the Board may proceed at once to replace or repair any public facility without giving notice for bids let to contracts. The work may be done by day labor under the direction of the Board, by contractor, or by a combination of the two.
- B. In case of an emergency, if notice for bids let to contracts will not be given, the public agency shall comply with Chapter 2.5 of the Public Contract Code (commencing with Section 22050).

## **Chapter 6 – Payment**

### **6.1 Warrants**

- A. All supporting documents, including the Purchase Order, Task Order, proof of receipt, packing slip, etc., will be attached to the invoice and presented to the General Manager for payment pursuant to subparagraph B below. The invoices will be reviewed and approved (paper or digital signature) by the General Manager verifying that the documents are internally consistent, that invoices being paid are original, that receipt of goods or services has been acknowledged by the CCSD Department Manager, and that the amounts agree between documents.
- B. A copy of the warrant shall be made prior to mailing. The invoice and supporting documentation shall be attached to the copy of the warrant and then filed (paper or digital) by vendor/service provider and separated by the fiscal year in which the payment was made.

### **6.2 Check Signing Procedures**

- A. All checks must have two authorized signatures per the current bank resolution adopted by the CCSD Board of Directors.
- B. Checks in an amount less than \$25,000 require two computer-generated signatures.
- C. Checks in the amount of \$25,000 to \$99,999 require one handwritten signature, which shall be the General Manager or his or her designee, and one computer-generated signature.
- D. Checks in the amount of \$100,000 and greater require two handwritten signatures, one of which shall be the General Manager or his or her designee.
- E. The General Manager has the authority to authorize the employee signatories.
- F. The General Manager shall review and initial issued checks in the amount of \$25,000 and greater.

### **6.3 Payment Via CCSD Credit Cards**

- A. All purchases using a CCSD credit card are subject to the same requirements and procedures as outlined in this policy and the following additional requirements:
  - 1. All CCSD credit cards shall be issued on a department basis in the name of each Department Manager. An additional credit card may be issued for the department's general use; in such cases, the Department Manager will have oversight, responsibility and signature authority for the expenditures. For example, a general Fire Department credit card may be issued for use by Captains with the Fire Chief's permission.



2. The General Manager shall manage the administration of CCSD credit cards.
3. Only the General Manager and Department Managers may sign credit card purchases. Department Managers may allow their department employees to use the department credit card; however, the Department Manager is responsible for its care and control.
4. Credit card purchases related to travel will adhere to the District's Travel Policy.
5. The credit limit on the CCSD credit cards shall be ten thousand dollars (\$10,000) per month for the General Manager and five thousand dollars (\$5,000) per month for each Department Manager.
6. Credit card purchases for orders made via telephone or Internet are permitted. A receipt must be obtained and forwarded to Accounts Payable.
7. CCSD credit cards may not be used for personal purchases or spending. Violations of this policy will result in the loss of CCSD credit card privileges and are subject to disciplinary action.
8. Cash advances on any CCSD credit card are prohibited. Any violation of this policy will result in disciplinary action.

#### **6.4 Payment by Electronic Funds Transfer**

- A. CCSD may make payments by Electronic Funds Transfer (EFT), Automated Clearing House network (ACH), and electronic check(s) in compliance with the applicable payment provisions of Chapter 6 and banking rules and regulations.
- B. CCSD may make payments by wire transfer for exceptional circumstances with prior approval from the General Manager or the Board. Examples of exceptional circumstances include when expediency is required or for real estate transactions. If other types of payment options are available, wire transfers should not be used due to their increased cost and lower security than other electronic payment forms.

#### **6.5 Invoice Approval Procedures**

- A. Invoices shall be approved based on the same monetary limits as applicable to Purchase Order signatory.
- B. Invoices should only be approved for payment if all related goods and/or services have been satisfactorily received. Registrations for seminars/workshops/classes, subscriptions, membership dues, and payments to government agencies are exempt from this process. Any other prepayments require the approval of the Administrative Department Manager.

#### **6.6 Petty Cash Procedures**

- A. The CCSD Administrative Department Manager or his or her designee shall maintain a petty cash fund of \$300.00.
- B. This fund will be used to purchase items costing no more than \$25.00 and must be authorized by the Department Manager or their designated employee.

- C. Purchase Orders should be used whenever practical, and receipts are required for reimbursement. There are no exceptions to the receipt rule.
- D. The CCSD Administrative Department Manager or their designee shall reconcile the petty cash fund on a monthly basis.