

RESOLUTION NO. 11-22-02

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS
RESERVOIR JOINT POWERS AUTHORITY ADOPTING AMENDED PURCHASING
POLICY**

WHEREAS, at its meeting held on February 9, 2022, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) adopted expenditure limits and a purchasing policy placing expenditure limitations on the appointed Interim Administrator in connection with any proposed expenditure of Authority funds; and

WHEREAS, on September 14, 2022, the Authority’s Board of Directors engaged an Executive Director to oversee the Authority’s operations and now desires to amend the Authority’s Purchasing Policy and Expenditure Limits, to provide spending authority to the Executive Director.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS VAQUEROS
RESERVOIR JOINT POWERS AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:**

1. The Authority’s Board of Directors hereby adopts the Amended Purchasing Policy and Expenditure Limits attached to this Resolution as Exhibit “A” establishing the expenditure limitations and purchasing authority of the Authority’s Executive Director, including those purchases deemed necessary during emergency conditions or other similar conditions where the ability to respond quickly is imperative to the Authority’s operations.

2. During any emergency conditions, as specified in the attached policy, the Authority’s Board of Directors authorizes the Executive Director to direct purchases essential to the Authority’s operations in excess of the Executive Director’s expenditure limits. Such action shall require the Executive Director’s declaration of an emergency to be approved and ratified by the Authority’s Board of Directors within ten (10) days, or as soon as practicable, after the emergency event. All expenditures and purchases made in excess of the Executive Director’s authority limit shall be approved and ratified by the Board of Directors as soon as practicable after the emergency event.

3. This Resolution shall become effective immediately upon its approval and adoption by the Authority's Board of Directors.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 9th day of November, 2022 by the following vote:

AYES: Ramirez Holmes, Hansen, Wehr, Sethy, Avila, Coleman, Kremen, Ritchie

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes
Angela Ramirez Holmes (Dec 14, 2022 11:09 EST)

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr
Ellen Wehr (Dec 6, 2022 09:12 PST)

Ellen Wehr, Secretary

EXHIBIT A

PURCHASING POLICY AND EXPENDITURE LIMITS

PURPOSE

The purpose of this Policy is to establish a comprehensive set of purchasing policies for the Los Vaqueros Reservoir Joint Powers Authority (“Authority”) that will assure continuity and uniformity in its purchasing operations and provide guidelines for purchasing supplies and services.

1. Policy

The Authority is committed to purchasing supplies, services and equipment in a fair, open and equitable manner that provides the best overall value to the Authority. Each person responsible for the procurement of goods and services for the Authority must follow these guidelines.

2. Conflict of Interest

No Director, officer or staff member of the Authority shall participate in the process of purchasing any supplies, services and equipment, or participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- A Director, officer or staff member;
- Any member of his or her immediate family;
- His or her partner; or
- An organization that employs, or is about to employ, any of the above:

has a financial interest in the firm or organization selected for award of such a contract for supplies, services, or equipment. For purposes of this Policy, the definition of “financial interest” included in the Fair Political Practices Commission’s regulations is hereby incorporated by this reference.

No Director, officer or staff member of the Authority may accept, directly or indirectly, any gift, rebate, money, or anything else of value whatsoever from any person or entity if the gift, rebate, money or item of value is intended as a reward or inducement for conducting business, placing orders with, or otherwise using the Director’s, officer’s or staff member’s position to favor the contributor.

No Director, officer or staff member of the Authority shall aid or assist a vendor or bidder in securing a contract to furnish commodities, equipment or services, or favor one vendor or bidder over another, or give or withhold information from any vendor or bidder not given or withheld from all other vendors or bidders, or willfully mislead any vendor or bidder in regards to an offer or bid specification, or knowingly certify to a greater level of service performed, or commodities

or equipment furnished, than has respectively been performed or received. Any Director or Alternate Director who has had any communication or contact with a vendor or bidder who is under consideration by the Authority for award of a contract shall disclose such communication or contact to the Board prior to the Board's consideration of the award of that contract.

3. General Provisions

The basic purchasing policy of the Authority is to obtain goods and services for its operations at the lowest possible overall cost, while ensuring such goods and/or services are of acceptable quality. This includes maintaining a purchasing system that ensures maximum use of fair and open competition and receipt of the best value for funds available, consistent with applicable laws and regulations. In the event of any conflict between this Policy and the Public Contract Code, the provisions of the Public Contract Code shall control. Purchasing responsibility and authority shall be delegated to a level consistent with good business practice and sound financial management policy.

The following apply to all purchases made by the Authority:

- A. No purchase will be approved or undertaken unless an appropriation has been established, either through the adopted annual budget or Board approval of additional appropriations. It is the responsibility of the Executive Director to maintain control of budgets that have been designated as their responsibility.
- B. All purchases shall be of the quality deemed necessary to suit the intended purpose.
- C. Competitive bidding is established based on type of purchase and/or established dollar limits, as specified in Section 5, below. To the extent competitive bidding is required by this Policy, or, if in the discretion of the Executive Director competitive bidding is deemed to serve the best interests of the Authority, the Executive Director shall have the sole and exclusive authority to determine the manner in which the competitive bidding process shall be undertaken, with the objective that the bid process be fair and open to qualified bidders in order to obtain the best value for the Authority.
- D. Purchases shall not be split to avoid required procedures or established dollar limits. Purchases of like items or services should be considered on an annual basis.
- E. The Authority strives to integrate and balance environmental, equity, diversity and economic objectives into its decision-making, policies, programs and work practices regarding purchasing of goods and services. The Authority will consider making sustainable purchases where possible.
- F. The emergency purchase of goods is authorized as specified below.

G. The Executive Director shall report all expenditures over \$2,500.00 to the Board of Directors.

4. Purchasing and Approval Authority

Purchasing authority is defined as the authority to make a purchase or enter into an agreement once all applicable purchasing procedures have been followed. The Board of Directors (“Board”) delegates purchasing and approval authority in certain amounts as specified in this Policy to the Executive Director. The Executive Director may then delegate appropriate authority to staff as outlined in this Policy.

A. Contra Costa Water District (CCWD) Monthly Invoice

- i) The CCWD invoice for monies to be paid by the Authority for Administrator services and other support of the Los Vaqueros Reservoir Expansion Project, including as specified under the Multi-Party Cost Sharing Agreement, as amended, upon review by the Chair of the Board of Directors, will not be subject to the limitations below.

B. Expenditure Reimbursement Limitations

- i) Budgeted Routine Operating Expenditure Types or Items (routine budgeted expenditure types or items like utilities, materials, supplies, maintenance work, and regulatory fees and taxes previously reviewed by the Board in the budgeting process)
 - a) Executive Director or their respective designee may approve the full amount without additional approval but to be included in the financial reporting of the Authority to the Board.
 - b) Internally, CCWD will limit designated authority to conform to its purchasing policy
- ii) Non-Routine Operating Expenses or items not previously reviewed by the Board in the budgeting process
 - a) Executive Director or designee limit up to \$50,000
 - b) Board at \$50,000 or above
- iii) Professional Services Contracts or amendments to Professional Services Contracts previously approved by the Board
 - a) Executive Director designee limit up to \$50,000
 - b) Board at \$50,000 or above
- iv) Emergency Expenditures – an emergency purchase is an immediate and serious need for supplies or services that cannot be met through normal procurement methods, the lack of which would seriously

threaten the functioning of the Authority, the preservation or protection of property or the health or safety of any person. Written justification for any emergency procurement shall be prepared within one working day after the procurement.

- a) Executive Director may approve emergency expenditures that exceed the delegated authority of \$50,000, which must be justified and communicated in writing as soon as practicable to the Board for its approval and ratification by at least a four-fifths (4/5ths) vote within seven (7) days of the action or at the Board's next regularly scheduled meeting if that meeting will occur within 14 days after the action.

- v) Public Works Contracts, Capital Acquisitions, or Other Capital Expenditures within the scope of a previously approved project by the Board
 - a) Executive Director or designee limit up to \$50,000
 - b) Board at \$50,000 or above

- vi) Funding Amendments to Capital or Non-Capital Projects and Public Works Contracts, Capital Acquisitions, or other Capital Expenditures not within the scope of a previously approved project by the Board
 - a) Executive Director or designee limit up to \$25,000
 - b) Board at \$25,000 or above
 - c) Any such expenditures by the Executive Director would be reported to the Board at the next available meeting.

- vii) Change Orders on Projects Previously Approved by the Board:
 - a) The Executive Director or designee, shall have authority to approve any Change Order on a project previously approved by the Board so long as: (a) the total contract amount, including any contingency funding, with such Change Order amount and any prior Change Orders, does not exceed one hundred ten percent (110%) of the total contract amount previously approved by the Board; or (b) the amount of that individual Change Order does not exceed \$50,000.00; provided, however, that a Change Order shall not be approved without the Board's approval if that Change Order would result in the specific project exceeding its approved budget.
 - b) Board approval is required for any Change Order on a project it has previously approved if: (a) that Change Order will result in the specific

project exceeding its approved budget; (b) the Change Order will result in the total contract amount, including any contingency funding, with such Change Order amount and any prior Change Orders, exceeding one hundred ten percent (110%) of the total contract amount previously approved by the Board; or (c) the amount of that individual Change Order exceeds \$50,000.00.

5. Purchasing Procedures

Purchases of goods, materials, supplies, equipment, maintenance, repair, operations and construction services shall be made utilizing the procedures specified in this section, based upon the expected dollar amount of the purchase or contract. The Executive Director shall follow these procedures.

A. Procurements of \$2,000 or less: The purchasing staff member shall ensure the Authority's best interests are protected, but no formal procurement process is required. Procurements in this category must be approved and authorized by the Executive Director.

B. Procurements between \$2,001 and \$5,000 (excluding taxes and freight): A minimum of two competitive quotes shall be received, which may be in writing, by internet or by telephone, and the procurement shall be awarded to the lowest responsible respondent. Documentation of the quotes received shall be included with any purchase requisition as part of the procurement process. Procurements in this category must be approved and authorized by the Executive Director.

C. Procurements between \$5,001 and \$10,000 (excluding taxes and freight): A minimum of three competitive quotes shall be received, which may be in writing, by internet or by telephone and the procurement shall be awarded to the lowest responsible respondent. Documentation of the quotes received shall be included with any purchase requisition as part of the procurement process. Where appropriate, such procurements shall include written scopes of work, a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. Procurements in this category must be approved and authorized by the Executive Director.

D. Procurements between \$10,001 and \$20,000 (excluding taxes and freight): A minimum of three informal bids shall be obtained by advertisement, in the Authority's discretion, in a periodical, newspaper, on-line bid publishing site or Authority website. Any such bids shall be written specifically for the Authority and not be obtained via an internet website or by telephone. Bids must be submitted in sealed envelopes and the sole basis of award is the lowest responsive responsible bidder. Such procurements shall include written scopes of work, technical specifications and/or drawings (if applicable), a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. Payment and/or faithful performance bonds and contractor safety training shall be required if applicable based on the nature of the procurement. Procurements in this category must be approved and authorized by the Executive Director.

E. Procurements between \$20,001 and \$100,000 (excluding taxes and freight): A formal invitation to bid process will be followed to obtain the lowest responsive, responsible bidder or price. Invitations to bid are publicly advertised, with bids submitted in sealed envelopes with a formal public bid opening. The Authority shall determine the appropriate means to advertise the invitation bid, including in a periodical, newspaper, on-line bid publishing site and/or Authority website. Formal bid documents shall include written scopes of work, technical specifications and/or drawings (if applicable), standard details, a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. If applicable, the bid package should also include contractor licensing, payment and/or faithful performance bonds and contractor safety training requirements. Procurements in this category must be approved and authorized by the Executive Director.

F. Procurements over \$100,000 (excluding taxes and freight): A formal invitation to bid process will be followed to obtain the lowest responsive, responsible bidder or price. Invitations to bid are publicly advertised, with bids submitted in sealed envelopes with a formal public bid opening. The Authority shall determine the appropriate means to advertise the invitation bid, including in a periodical, newspaper, on-line bid publishing site and/or Authority website. Procurements in this category must be approved and authorized by the Authority's Board of Directors. Contracts of more than \$100,000 shall include the following:

1. Scope of work in sufficient detail to clearly define the specific service or deliverable to be provided;
2. Schedule for start and completion of work;
3. Responsibilities of the respective parties under the contract;
4. All Authority insurance and indemnification provisions;
5. Prevailing wage rate requirements under the contract;
6. Subcontractor or assignability of the contract;
7. Defined cost or contract value with progress payments, if applicable;
8. All other relevant or necessary information;
9. A project/contract file will be maintained by the appropriate staff for the necessary documentation; and
10. Changes to the contract, including scope of work or price, shall be in writing and approved as specified in this policy

6. Sole Source Purchases

A. Definition: Sole source purchases are utilized where no secondary or additional source is reasonably available, which precludes the use of a competitive process. Sole source procurement means that a specific brand or trade name is specified in an invitation to bid that may not be substituted with another brand or trade name. Sole source purchases are normally utilized when a specific good, material or equipment is available from only one supplier under the prevailing circumstances. The Executive Director may make sole source procurements, including, but not limited to, the following circumstances:

1. Where compatibility of equipment, accessories or replacement parts is the paramount consideration;
2. Where public utility services are to be procured;
3. Where a sole supplier's item is needed for trial use or testing;
4. Where a used item is offered at a bargain price and subject to prior sale; or
5. Where a cooperative purchasing agreement has been developed with another public agency or cooperative that utilized a competitive selection process and has recognized government pricing.

B. Documentation: Any sole source procurement must be justified in writing, in the form of justification memo, in advance of the purchase and must be approved in writing by the Executive Director.

C. Reporting: Any staff member who desires to award a sole source procurement must provide the Executive Director with the sole source justification memo. Any sole source procurement that exceeds the Executive Director's delegated authority must be authorized by the Board of Directors.

Expenditure Limitations and Purchase Authority Matrix

	Executive Director or Designee	Board
Non-Routine Operating Expenses or Items not previously reviewed by the Board	Up to \$50,000	\$50,000 or above
Professional services contracts or amendments to professional service contracts previously approved by the Board	Up to \$50,000	\$50,000 or above
Public works contracts, capital acquisitions, or other capital expenses within the scope of a previously approved project by the Board	Up to \$50,000	\$50,000 or above
Amendments to capital or non-capital projects, public works contracts, capital acquisitions, or other capital expenses not within the scope of a previously approved project by the Board	Up to \$25,000	\$25,000 or above

<p>Change Order on a project previously approved by the Board</p>	<p>Up to \$50,000 (see Section (vii) of Policy for limitations)</p>	<p>\$50,000 or above (see Section (vii) of Policy for conditions)</p>
<p>CCWD monthly invoice</p>	<p>Not subject to the above limitations</p>	
<p>Budgeted routine operating expenditure types or Items (i.e., utilities, materials, supplies, maintenance work, and regulatory fees and taxes previously reviewed by the Board during the budgeting process)</p>	<p>Executive Director or designee for the full amount without additional review. As applicable, internally CCWD will limit designated authority to up to \$5,000 at its manager level.</p>	