A RESOLUTION REGARDING
UPPER OCONEE BASIN WATER AUTHORITY POLICIES AND REGULATIONS

BE IT RESOLVED BY THE BOARD OF THE UPPER OCONEE BASIN WATER AUTHORITY THAT the following policies and regulations shall be adopted pursuant to Section 11 and Section 12 of the Upper Oconee Basin Water Authority Act, Georgia Laws 1994, Page 5123, et seq.

IT IS HEREBY ORDAINED that the following policies and regulations shall be, and are hereby adopted by the Upper Oconee Basin Water Authority, repealing all other policies heretofore adopted which are in conflict with this resolution:

PROCUREMENT OF GOODS AND SERVICES

SECTION I - METHOD OF SOURCE SELECTION

The following procedures apply to the procurement of goods and services and do not apply to any contract involving the acquisition of real property. The procurement of goods and services shall be governed by the following methods of source selection.

A. Competitive Sealed Bidding

1. Any commodity or service which is estimated to cost $100,000.00 or more shall be acquired whenever possible through the competitive sealed bidding process except as otherwise provided herein. Generally, the following conditions must be met: clear and adequate specifications are available; two or more responsible offerors are willing to participate in the process; and the cost of materials, supplies, equipment or project has an estimated cost of $100,000.00 or greater.

2. Public notice of an Invitation to Bid shall be advertised as required by Georgia Law. Any other method of advertisement identified as likely to result in optimal competition may be used in addition to the required advertisement at the discretion of the Board of the Authority or its designated representative.

3. Bids shall be evaluated based upon the requirements set forth in the Invitation to Bid. An invitation for bids may be cancelled prior to the opening date or any or all bids may be rejected in whole or in part at the discretion of the Board of the Authority, where it determines it is in the best interest of the Authority.

4. Subject to the approval by the Board of the Authority, bids shall be awarded to the responsive and responsible bidder(s) who have submitted the lowest bid(s). The Board of the Authority reserves the right to reject any or all bids.

5. All bid awards for amounts of $100,000.00 or greater shall be approved or rejected by the Board of the Authority.

B. Competitive Sealed Proposals

1. When it is determined that the competitive sealed bid process is not applicable or in the best interest of the Authority, any commodity or service which is estimated to cost $100,000.00 or greater shall be acquired through the competitive sealed proposal process except as otherwise provided herein.

2. Proposals shall be disseminated through a Request for Proposal. Public notice shall be advertised as required by Georgia law. Any other method of advertisement identified as likely to result in optimal competition may be used in addition to the required advertisement at the discretion of the Board of the Authority or its designated representative.

3. A Request for Proposal may be cancelled prior to the opening date or any or all proposals may be rejected in whole or in part by the Board of the Authority, where it determines it is in the best interest of the Authority.

4. Information submitted by a proposer which is specifically marked "proprietary" shall not be disclosed outside of the Authority without the prior written consent of the proposer or a determination by the Authority or the Court that the information sought is not of a privileged or proprietary nature.

5. Subject to the approval by the Board of the Authority, award(s) shall be made to the most responsible offeror(s) whose proposal is determined to be the most responsive and advantageous to the Authority based upon but not limited exclusively to the price and the evaluation factors set forth in the Request for Proposal.

6. All proposals for amounts of $100,000.00 or greater shall be approved or rejected by the Board of the Authority.

Annual contracts may allow up to four (4) one-year renewal periods contingent upon the appropriation of funds by the Board of the Authority in the annual budget for such fiscal year. The contract is considered renewed with the adoption of the budget. Such contracts should be competitively bid.

C. Informal Purchases

1. Procurement of commodities or services which involve amounts with an estimated cost of less than $100,000.00 do not require a formal sealed bid/proposal process and may be purchased on the open market. However, the processes used for this type of procurement should include as much competition as is consistent with anticipated cost of the procurement and in the best interests of the Authority.

2. Where the estimated cost of the commodity or service is between $30,000.00 and $99,999.99, the award of the contract should be based whenever possible on the receipt of written quotations from at least three (3) reputable offerors unless adequate source supply is not available. The award of the contract shall be made by the Authority Chairperson, or in his or her absence, the Authority Vice Chair.

3. Where the estimated cost of the commodity or service is between $15,000.00 and $29,999.99, the award of the contract should be based whenever possible on quotations received through verbal solicitations from at least three (3) reputable offerors unless adequate source supply is not available. The award of the contract shall be made by the Owner's Representative, or in his or her absence, the Finance Chairperson.

4. Where the estimated cost of the commodity or service is under $15,000.00, the commodity may be purchased in the open market by the Contractor's Representative, or in his or her absence, the Treatment Plant Manager.

D. Sole Source Purchases

1. Where there is evidence that a particular commodity or service may be obtained from only one source and no similar commodity or service will adequately meet the Authority's requirements, the commodity or service may be purchased from the sole source. This evidence must be documented in writing.

2. Where the cost of the commodity or service is estimated to be $100,000.00 or greater; the award of the contract to the sole source shall be subject to approval of the Board of the Authority.

3. Where the cost of the commodity or services is estimated to be less than $100,000, the award of the contract to the sole source shall be subject to the same approval as informal purchases.

E. Emergency Purchases

1. The Chair of the Authority or the Owner's Representative shall have the authority to purchase a commodity or service under this section where there exists an emergency constituting a threat to public health, safety or welfare or to the soundness and integrity of public property or to the delivery of essential services and where the adverse effects of such emergency may worsen materially with the passage of time. The authority to proceed with an emergency purchase may be granted by the Chair or Owner's Representative via written communication, including electronic mail.
2. Acquisitions under this section shall be made using such competitive procedures as circumstances reasonably permit.
3. For emergencies where the cost of the commodity or service is $100,000.00 or more, the purchase is required to be ratified by the Board of the Authority.
4. For emergencies where the cost of the commodity or service is less than $100,000, the purchase is subject to the same approval as informal purchases.

F. Professional Services

1. It is the policy of the Authority to award contracts for professional services on the basis of demonstrated competence and qualifications at a fair and reasonable price with the ultimate selection based on the best interest of the Authority and the receipt of maximum value. "Professional services" refer to such services as legal, engineering, surveying, architectural and others performed by individuals whose profession is licensed by the state or federal government.
2. While professional services do not require competitive bidding, a qualifications-based selection process can be used.
3. Professional services contracts shall be approved by the Board of the Authority or its designated representative.

G. State Contract Purchases

1. The Board of the Authority or its designated representative shall have the authority to purchase a commodity or service using a state contract.
2. State contracts provide commodities or services that can purchased from a published list of bid prices provided by the state or its agencies may be

purchased in accordance with said bid list and contract price without seeking competitive pricing.

3. Where the cost of the commodity or service is determined to be $100,000.00 or greater, the award of the contract shall be approved or rejected by the Board of the Authority

4. Where the cost of the commodity or services is determined to be less than $100,000, the award of the contract shall be subject to the same approval as informal purchases.

H. Cooperative Purchases

1. The Authority may participate in a cooperative purchase for commodities, supplies, and services when it is determined to be in the Authority's best interest.

2. The sponsoring entity, whether federal, state, or local government, must have performed a competitive procurement process and entered into a contract that stipulates allowance for other entities to purchase from the supplier at the same price and under the same terms and conditions.

3. Where the cost of the commodity or service is determined to be $100,000.00 or greater, the award of the contract shall be approved or rejected by the Board of the Authority

4. Where the cost of the commodity or services is determined to be less than $100,000, the award of the contract shall be subject to the same approval as informal purchases.

I. Used Equipment Purchases

1. The Authority allows for used equipment to be purchased without competitive bidding provided that a diligent search of the marketplace has been conducted and documented.

2. Where the cost of the used equipment is $100,000.00 or greater, the award of the contract shall be approved or rejected by the Board of the Authority

3. Where the cost of the used equipment is determined to be less than $100,000, the award of the contract shall be subject to the same approval as informal purchases.

SECTION II – DETERMINATION OF APPROVAL THRESHHOLD AND PROHIBITION ON SPLIT PURCHASE

A. Determination of Purchase Value

1. Approval thresholds in this policy apply to the total value of each single purchase, contract, or procurement action,
2. However, when evaluating procurement needs and determining the appropriate method of source selection, the Authority shall consider the total anticipated annual volume of similar commodities or services to ensure the procurement method selected reflects prudent stewardship and best value to the Authority.

B. Prohibition of Split Purchases

1. No purchase or procurement requirement may be divided, split, or separated into smaller components for the purpose of avoiding competition, reducing required approvals, or circumventing the thresholds established in this policy.
2. If multiple purchases of the same or similar items are made within a reasonable time frame and are determined to represent a single procurement need, the Authority may classify them as one purchase for purposes of determining the appropriate procurement method and approval level.

SECTION III - CONSTRUCTION ACQUISITION PROCEDURE AND BONDING REQUIREMENTS

A. Public Works Contracts

1. The Authority shall operate in accordance with O.C.G.A Title 36, Chapter 91 as related to public works contracts.
2. Construction acquisition shall follow the competitive sealed process set forth in Section I entitled Method of source Selection.

B. Bonding Requirements

1. *Bid Bonds* - Bid bonds shall be required on bids or proposals greater than $100,000 and must include a bid bond of at least 5% of the total contract

price. Bonds shall be of a forfeiture type. All sureties must be licensed to do business in the state of Georgia, have A.M. Best rating of A-6 or higher and be listed in the Department of Treasury's publication of companies holding certificates of authority as acceptable surety on federal bonds and as acceptable reinsuring companies. In lieu of the bid bond described herein, an offeror may submit with the bid or proposal a cashier's check payable to the Authority in an amount not less than the purchase price specified in the bid or proposal. Additionally, to the extent permitted by Georgia law, a guaranteed letter of credit in the proper amount will act as a bid bond provided that the form of the letter of credit and the lending institution have been approved by the Authority in advance. Return of bid bonds to the successful bidder shall be conditioned upon the bidders execution of a contract within 30 days following the Authority's award of the contract.

2. *Performance and Payment Bonds*

a. Performance bonds in the amount of the contract are required on all contracts greater than $100,000. Any performance bond required by these regulations shall be issued by a good and sufficient surety or sureties approved by the Authority in an amount which equals at least the total purchase price payable under the bid or proposal. The performance bond shall be conditioned upon the offer of faithful performance of the terms of the bid or proposal or the contract executed in connection with such bid or proposal

b. Payment bonds in the amount of the contract are required on all contracts that are over $100,000. Any payment bond required by these regulations shall be issued by good and sufficient security or securities approved by the Authority in an amount at least equal to the total purchase price payable under the bid or proposal. A payment bond shall be for the benefit of all persons or entities supplying labor, materials, machinery and equipment in the prosecution of the work under the contract.

c. All sureties must be licensed to do business in the State of Georgia, have an A.M. best rating of A-6 or higher and be listed in the Department of Treasury's publication of companies holding certificates of authority an acceptable surety on federal bonds and as acceptable reinsuring companies.

C. *Insurance Requirement*

Standard insurance limits in accordance with the State of Georgia are required for all construction acquisitions covered by these rules and regulations. The specific requirements for vendors providing high risk services supersede the standard insurance limits. Coverage types and limits are required minimums and should be increased appropriately based on contract value and potential risks to the Authority. To achieve the appropriate coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable.

UOBWA Purchasing Policy Summary

Procurement Type	Dollar Threshold	Pricing Method	Required Competition	Approval Authority
Micro Purchases	Under $15,000	Open market purchase	Competition encouraged	Contractor's Representative or Treatment Plant Manager
Small Purchases	$15,000–$29,999.99	Informal quotes	3 verbal quotes	Owner's Representative or Finance Chair
Intermediate Purchases	$30,000–$99,999.99	Formal quotes	3 written quotes	Authority Chair or Vice Chair in absence
Formal Purchases – Sealed Bid	$100,000 or greater	Competitive Sealed Bid	Formal Invitation to Bid	Board of the Authority
Formal Purchases – Sealed Proposal	$100,000 or greater	Competitive Sealed Proposal	Publicly advertised Request for Proposal	Board of the Authority
Sole Source	Any amount	Sole Source Justification	Competition encouraged	< $100k = follows informal thresholds; ≥$100k = Board of the Authority
Emergency Purchases	Any amount	Emergency Justification	Competition as circumstances permit	< $100k = follows informal thresholds; ≥$100k = Ratification by Board of the Authority
Professional Services	Any amount	Qualifications-based selection	Competition not required; may solicit proposals	Board of the Authority
State Contract Purchases	Any amount	State Contract pricing	State-performed competition	< $100k = follows informal thresholds; ≥$100k = Board of the Authority
Cooperative Purchases	Any amount	Cooperative agreement	Lead agency performed competition	< $100k = follows informal thresholds; ≥$100k = Board of the Authority
Used Equipment	Any amount	Marketplace search & documentation	Competition as circumstances permit	< $100k = follows informal thresholds; ≥$100k = Board of the Authority