

Calleguas Municipal Water District Procurement Policy

All purchases of materials, supplies, equipment and services required by the District shall be made in accordance with the following, and pursuant to all applicable provisions of the law.

Selection of Contractors, Suppliers, and Consultants

The Board of Directors shall call for public bids for all contracts for general construction, operations and maintenance services, and materials procurement in amounts of \$35,000 or greater in accordance with the requirements of the California Public Contract Code. A bid solicitation notice shall be advertised in a local newspaper of general circulation. Sealed bids will then be publicly opened at a pre-determined date, time and location. Contracts will be awarded to the lowest responsive and responsible bidder, except that the District always reserves the right to reject all bids. Bids need not be solicited when such contracts are necessary to respond to an emergency in accordance with the requirements of Section 22050 of the California Public Contract Code.

In selection of a contractor, consideration shall be given not only to the bid price, but also to the general competency of the contractor for the performance of the work. A contractor must submit evidence that he is competent to manage the proposed project and carry it forward to a successful conclusion, has professional integrity and honesty of purpose, and has sufficient financial resources to complete the project. Contracts shall not be awarded to any contractor listed by the California Labor Commissioner as ineligible to bid, work on, or be awarded a public works project.

In accordance with the California Public Contract Code, goods, information technology, and services may be obtained through a state procurement process undertaken by another entity such as the State of California or the Western States Contracting Alliance.

Professional services contracts shall be awarded to consultants demonstrating expertise and experience in the type of work to be performed and a proven history of high quality work. Contracts will typically be for a "not-to-exceed" fee associated with a particular scope of work. Work for which it is not possible to define a scope in advance may be performed on a time and materials basis.

Approvals

In accordance with Ordinance No. 18, the General Manager has the authority to approve the following procurement-related contracts:

- Professional services contracts for engineering services, engineering studies, land surveying, project permitting, environmental compliance, construction related services, or computer programming, that are paid for on a time and materials basis and where the estimated value of the services does not exceed \$25,000 in any fiscal year, or that are paid for at a fixed scope and fee where the contracted fee does not exceed \$100,000;
- General construction and materials procurement contracts in amounts less than \$35,000;
- Contracts for procurement of utility service such as electricity, telephone, natural gas, sewer, and water; and
- Contracts necessary to respond to an emergency in accordance with the requirements of Section 22050 of the California Public Contract Code.

All procurement contracts not listed above must be approved by the Board of Directors.

Expenditures shall not be broken down or divided into sub-groups for purposes of avoiding the above guidelines.

Purchase Orders and Notices to Proceed

Purchase orders shall be issued for acquisition of materials, equipment, or services in excess of \$1,000. Notice to Proceed Letters shall be issued for all consulting services, except for those performed on a continuous time and materials basis. A purchase order may be issued in lieu of a Notice to Proceed Letter.

Limits for approval of Notice to Proceed Letters or Purchase Orders are:

General Manager	Per Ordinance 18
Managers of O&M and Engineering	\$34,999*
Manager of Resources	\$10,000*
Other Managers	\$5,000*
O&M Supervisors and Project Managers	\$1,500*

** Where these limits exceed the General Manager's authority described above for professional services, the employee's limit equals that of the General Manager.*

Disbursement of Funds

Once per month the Board will receive a monthly disbursement report and be asked to approve outstanding bills for payment. In order to be placed on the report, an invoice must have been approved by a Department Head or the General Manager. Funds will be disbursed after the Board approves the bills for payment except when the timing of the disbursement does not allow for such prior approval. In such cases, the requests for disbursement will be signed by the General Manager and reported to the Board in a separate section of the subsequent monthly disbursement report.

Code of Conduct

No Board member or employee shall 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 the employee or Board member, any member of his or her immediate family, his or her partner, or an organization which employs, or is about to employ any of the above, has a financial or other interest in the firm selected for award.

Board members and employees will neither solicit nor accept gratuities, favors or anything of value from contractors or consultants or potential contractors or consultants who might in any way benefit from a decision made or action taken by that Board member or employee in the course of his or her duties. Although the District discourages contractors and consultants from donating gifts, if an employee or Board member receives an unsolicited gift, it shall be donated to the employee holiday party to be raffled off to employees who do not take part in contracting decisions.

Petty Cash Fund

A Petty Cash Fund of no more than \$1,400 shall be maintained in the Finance Department vault for the purpose of providing ready cash for small expenditures such parking fees, and the like. Petty cash shall be disbursed in accordance with the District's procedure for expense reimbursements.

Credit Cards

The General Manager may acquire credit cards in the name of the District for use by District employees and shall designate which employees are authorized to use District credit cards. The Manager of Finance will maintain a written log of credit cards. Employees who have credit cards will sign for these cards and be responsible for them.

Credit cards may be used to charge necessary supplies and equipment, and authorized travel, food and lodging for the person in possession of the credit card and any/or another District employee or Board member. Credit cards may be used for the purchase of gas, oil, supplies, and repairs for District vehicles. Credit cards may not be used for personal benefit or non-District purposes.

Receipts for all credit card expenditures must be promptly submitted to the Finance Department along with documentation stating the purpose of the expenditure.

Limits on credits cards which are assigned to individuals and may only be used by those individuals are as follows. All of these are general purpose cards such as VISA or American Express.

Position	Limit
General Manager, Operations Support Supervisor*	\$10,000
Manager of Resources*	\$5,000
Managers*	\$2,000

** Subject to approval on a case-by-case basis by the General Manager.*

Limits on credit cards which may be used by any employee are as follows. These cards may only be used with the approval of the employee responsible for the card, who is also responsible for collecting receipts.

Type of credit card	Limit	Responsible Employee
General purpose card for travel, meetings, and miscellaneous supplies	\$15,000	Secretary to the Board
Card for a home improvement store	\$5,000	Operations Support Supervisor
Card for an office supply store	\$5,000	Manager of Finance

All invoices for general purpose credit cards shall be reviewed and approved by the General Manager. All invoices for credits cards from a home improvement or office supply store shall be reviewed and approved by a Department Manager. In addition, the General Manager's credit card shall be reviewed and approved by the Board Treasurer, or in the absence of the Board Treasurer, by the Board President. Board approvals may be obtained by email or fax.

No Commitment of Funds for Non-District Purposes

Neither Board members nor employees shall obligate or commit District funds or use District credit cards for the purchase of goods or services for personal or non-District related use, even if the Board member or employee reimburses the District for the incurred cost.

Prevailing Wages

All entities that contract with the District are required to comply with the provisions of the California Labor Code, including those relating to the payment of prevailing wage rates.

Grant Compliance

For procurements involving state or federal grant funding, all grant-required procedures shall be implemented and all grant-required language will be incorporated into bid documents, professional services agreements, equipment supply contacts and construction contracts as needed.