

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

POLICIES AND PROCEDURES FOR THE PURCHASE OF EQUIPMENT AND SUPPLIES AND THE AWARD OF CONTRACTS

I. PURCHASE OF EQUIPMENT AND SUPPLIES

A. Purchases Under \$25,000

When the estimated cost of equipment or supplies is below \$25,000, the CEO/General Manager may award the contract or purchase order. If the estimated cost is less than \$5,000, the CEO/General Manager shall attempt to secure the best value for the Agency, but need not solicit quotes or bids. If the estimated cost is between \$5,000 and \$10,000, the CEO/General Manager shall solicit informal quotes from at least two vendors. If the estimated cost exceeds \$10,000, but is less than \$25,000, the CEO/General Manager shall solicit formal written quotes from at least three vendors, but need not formally advertise for the solicitation of bids.

B. Purchases of \$25,000 or More

All contracts in the amount of \$25,000 or more shall be submitted to the Board of Directors for approval. When the estimated cost of equipment or supplies is \$25,000 or more, the CEO/General Manager shall solicit formal written bids/proposals through means and methods which he or she determines to be most cost-effective, which may include advertisement in a newspaper of general circulation in the Agency.

C. Leasing of Equipment

Leasing or renting of equipment is permitted if advantageous to BAWSCA. If the total rental payments due under a lease are below \$25,000, the CEO/General Manager shall follow the procedure in Section I.A. If the total rental payments due under a lease are \$25,000 or more, the CEO/General Manager shall follow the procedure in Section I.B.

D. Reporting

The CEO/General Manager shall report to the Board of Directors on (1) all contracts or leases entered into under Section I.A or I.C and (2) all change orders or amendments entered into under Section V.B. at the next meeting of the Board.

E. General

1. Board approval is required for extension of contracts or purchase orders beyond one (1) year where the cost of the extension is estimated to exceed \$25,000.

2. The CEO/General Manager is authorized to purchase equipment and supplies through the State of California cooperative purchasing program authorized by Public Contract Code Section 10298, California Multiple Awards Schedule (CMAS). If the cost of such purchase is expected to exceed \$25,000, the CEO/General Manager shall obtain Board approval before participating in the CMAS procurement.

II. PURCHASE OR LEASE OF REAL PROPERTY

Any contract for the purchase of real property must be submitted to and approved by the Board of Directors.

Any lease or sublease of real property, including any renewal or extension of an existing lease or sublease, must be submitted to and approved by the Board of Directors.

III. CONTRACTS FOR SERVICES

Contracts for services in which the maximum compensation payable does not exceed \$25,000 may be entered into by the CEO/General Manager. All other contracts shall be submitted to and approved by the Board of Directors.

With the exception of contracts for services described in the paragraph below, all services contracts shall be awarded to the proposer(s) that offer the best value to BAWSCA, which is defined as the overall combination of quality, price and other elements of a proposal that, when considered together, provide the greatest overall benefit to BAWSCA in response to the requirements described in the solicitation documents.

Pursuant to California Government Code Section 4525 et seq., BAWSCA shall use qualifications-based competitive proposal procedures for the procurement of architectural, landscape architectural, engineering, environmental (but, not where the scope of work consists of planning services), land surveying or construction project management services. Under this method, proposals shall not contain a cost proposal and shall be evaluated based upon qualifications and demonstrated competence.

Negotiations shall be conducted with the proposer deemed most qualified. If the parties are unable to negotiate fair and reasonable contract terms, including compensation, then the negotiations will be closed and staff will commence negotiations with the second most qualified proposer. This process will be followed until an agreement is reached or the determination is made to recommend rejection of all proposals.

IV. CONTRACTS FOR CONSTRUCTION

Any contract for construction (other than a leasehold improvement costing less than \$10,000) shall require approval of the Board of Directors.

V. CEO/GENERAL MANAGER AUTHORITY

- A. The CEO/General Manager is authorized to expend funds, issue purchase orders and sign contracts for procurements and activities as follows: (1) up to \$25,000 for equipment and supplies; and (2) up to \$25,000 for professional or other services.

- B. The CEO/General Manager is authorized to administer all contracts on behalf of BAWSCA. The CEO/General Manager is authorized to issue change orders or amendments up to \$25,000 without further Board approval.

VI. WAIVER

The Board of Directors may suspend or waive the requirements of this Policy in any instance when the Board deems it in the best interest of BAWSCA to do so.