

BEFORE THE BOARD OF DIRECTORS
OF THE
APTOS/LA SELVA FIRE PROTECTION DISTRICT

RESOLUTION NO. 3-16

On the motion of Director Abendschan
Duly seconded by Director Foster

the following resolution is hereby adopted:

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
APTOS/LA SELVA FIRE PROTECTION DISTRICT
ESTABLISHING PURCHASING POLICIES AND PROCEDURES**

WHEREAS, Ordinance 1-16 authorizes the establishment procedures for the purchases of supplies, services, and equipment by the Aptos/La Selva Fire Protection District; and,

WHEREAS, said Ordinance authorizes the adoption of a resolution specifying purchasing policies and procedures including bidding regulations in conformance with Section 54202 of the California Government Code;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Aptos/La Selva Fire Protection District that the following Purchasing Procedures are hereby adopted as follows:

APTOS/LA SLEVA FIRE PROTECTION DISTRICT
PURCHASING PROCEDURES

PURPOSE

District funds may be expended for purchases of supplies, services, inventoriable items, and fixed assets in conformance with the following purchasing procedures. Violation of these procedures may subject those responsible to disciplinary action. All personnel shall comply with these procedures.

- SUBSECTION 1 - DEFINITIONS
- SUBSECTION 2 - PURCHASE AUTHORIZATION
- SUBSECTION 3 - OPEN MARKET PURCHASES
- SUBSECTION 4 - INFORMAL BIDDING
- SUBSECTION 5 - FORMAL BIDDING
- SUBSECTION 6 - SOLE/SINGLE SOURCE PURCHASES
- SUBSECTION 7 - SALE OR DISPOSAL OF SURPLUS PROPERTY
- SUBSECTION 8 - EXEMPTIONS
- SUBSECTION 9 - REPORTING AND RECORDS
- SUBSECTION 10 - USE OF DISTRICT ISSUED CREDIT CARDS
- SUBSECTION 11 - PROFESSIONAL CONSULTANT SELECTION
- SUBSECTION 12 - UNAUTHORIZED PURCHASES

1.00 DEFINITIONS

1.01 Definitions - As used herein:

- (1) "Purchase" means to commit District funds or resources to buy, encumber, lease, finance, rent, or purchase any item or service.

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- (2) "Supplies" means any item costing one hundred dollars (\$100) or less, or any item costing more than one hundred dollars (\$100) which has a life expectancy of less than one year.
- (3) "Services" means any and all labor performed by a non-District employee that does not produce a tangible commodity.
- (4) "Inventoriable Item" means any item which costs more than one hundred dollars (\$100) but less than two thousand dollars (\$2,000), has a life expectancy of more than one year, and is not a component of a larger piece of equipment; or, any item costing two thousand dollars (\$2,000) or more which has a life expectancy of less than three years.
- (5) "Fixed Asset" means any item that costs two thousand dollars (\$2,000) or more and has a life expectancy of three years or more, and is not a component of a larger piece of equipment.
- (6) "Budget" means the Board of Directors approved final budget for the fiscal year in which the purchase occurs. In the absence of an approved final budget, the approved preliminary budget shall be used.
- (7) "Responsible Bid" means an offer, submitted by a bidder to furnish supplies, services, inventoriable items, or fixed assets in conformity with the specifications, delivery terms and conditions, and all other requirements included in the invitation for bids.
- (8) "Responsible Bidder" means a bidder who has furnished, when requested, information and data to prove that financial resources, production or service facilities, service reputation and experience are adequate to make satisfactory delivery of the supplies, services, materials, equipment or contractual service on which bids are made; who has not violated, or attempted to violate, any provisions of this resolution; and who operates in a manner consistent with State or Federal law.
- (9) "Informal Bid" means written quotations for supplies, equipment and services that, pursuant to this policy, are not required to meet the formal bidding requirements. Informal bids include unsealed written quotes and quotes received via fax or email.
- (10) "Formal Bid" means a bid that must be submitted in a sealed envelope and in conformance with a prescribed format, to be opened and announced at a specified time at a public opening.

2.00 PURCHASE AUTHORIZATION

2.01 Purchase Authorization - Individuals will not "split orders" for an item or related items to avoid the dollar limit requiring approvals set forth in Section 1.01(2), (4) or (5).

1. Purchase of any item included in the budget requires the following approvals:
 - a) All budgeted purchases of two hundred fifty dollars (\$250) or less may be approved by a company officer (or higher rank). All budgeted items of five hundred dollars (\$500) or less may be approved by a Chief Officer or the Director of Business Services. Such purchases do not require a completed and authorized "Request to Expend Department Funds" in advance of a purchase.
 - b) All budgeted purchases of less than five hundred (\$500) requiring a completed and authorized "Request to Expend Department Funds" in advance of any purchase commitment may be approved by a Chief Officer, Director of Business

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Services or the Fire Chief. Purchases over five hundred dollars (\$500) must be approved in advance by the Fire Chief.

- c) All budgeted purchases costing sixty thousand dollars (\$60,000) or more require advance approval of the Board of Directors.
2. Purchase of any item not included in the budget requires the following approvals:
- a) All unbudgeted purchases of one thousand dollars (\$1,000) or less require a completed and authorized "Request to Expend Department Funds" in advance of any purchase commitment and must be approved by the Fire Chief.
 - b) All unbudgeted purchases of more than one thousand dollars (\$1,000) require advance approval of the Board of Directors.

2.02 Purchase Authorization Documentation

- 1. Purchases which do not require a completed "Request to Expend Department Funds" form shall be authorized by having the individual conducting the purchase sign the sales receipt, invoice or charge slip and also obtain the signature of the Company Officer, Chief Officer, or the Director of Business Services on the sales receipt or charge slip. The purchaser will then submit the documentation to the Director of Business Services for payment or reimbursement processing.
- 2. Purchases requiring a completed and authorized "Request to Expend Department Funds" form shall be authorized by obtaining the appropriate signatures on the document. Once approval is given, a copy of the approved form will be returned to the requester. Only then may the requester or his/her designee conduct the purchase.
- 3. The "Request to Expend Department Funds" form may be substituted by email correspondence that contains all of the information required on the "Request to Expend Department Funds" form. Once such email has been completed and sent to the approving authority, and approval has been granted in a return email, such email will be hardcopy printed and suffice as acceptable purchase authorization documentation.

3.00 OPEN MARKET PURCHASES

- 3.01 When Open Market Purchases Authorized - If the amount of the purchase is estimated to be Ten Thousand Dollars (\$10,000) or less, it may be an open market purchase and shall not be subject to the competitive bidding requirements. However, all purchases shall, whenever possible and practical, be based on competitive price quotations.

4.00 INFORMAL BIDDING

- 4.01 Purchases to be on Informal Bids - All purchases of and contracts for supplies, services, inventoriable items, or fixed assets in excess of Ten Thousand Dollars (\$10,000) and less than Fifty Thousand Dollars (\$50,000) shall be based on this informal bid procedure.
- 4.02 Informal Bids to be Solicited - Informal bidding requires that at least three competitive bids be solicited and obtained.
- 4.03 Method and Extent of Notice - The method and extent of notice soliciting informal bids shall be as prescribed by the Director of Business Services. Said notice shall set forth the specifications, the deadline for submission of bids, and the terms and conditions of the proposed purchase.

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4.04 Submission of Bids - All bids shall be in writing and shall be submitted to the Director of Business Services.

4.05 Rejection of Bid - The Director of Business Services may reject any and all bids and may re-solicit bids when she/he determines the public interest will be served thereby.

4.06 Award of Purchase - The Fire Chief shall award the purchase to that responsible bidder whose bid will be most advantageous to the District.

5.00 FORMAL BIDDING

5.01 General - This section establishes the criteria and procedure for the Formal Bidding procedure.

5.02 General Procedures - Any purchase which has an estimated cost in excess of fifty thousand dollars (\$50,000) requires:

1. Adoption of plans, specifications, and working details approved by the Board of Directors.
2. Formalized advertising in general circulation newspapers during a bid process of not less than ten (10) days.
3. Opening and public announcement of bids.
4. Referral of bids to the Director of Business Services and operational department for review.
5. Award of contract by the Board of Directors.
6. Notice of award to selected contractor.
7. Completion of all contract documentation.
8. Notice to proceed to contractor.

5.03 Request For Proposal (RFP)

The Board of Directors must approve the RFP prior to publication. In order to develop consistency in the preparation of RFP's, a standardized format should be used. A description of the basic format for the preparation of formal RFP's follows:

1. General Project Description - This should provide a summary description of the needed facility, program, or services required.
2. Project Background - This should provide relevant background information on the project. A description of the site, significant historical data, and information on existing facilities should be provided when appropriate. A clear concept of the needed facilities should be outlined. A vicinity map and scale site map should be provided. Any available resources such as completed studies, surveys, and preliminary feasibility work that are relevant to the project and available should be listed.
3. Scope of Work - This should describe the scope of work and services needed in detail. It should give the contractor a clear understanding of what will be required and any required time schedules. It should be clearly defined whether contractor or District will be responsible for related services such as feasibility studies, design, construction

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coordination, public meetings, obtaining permits, and budget development. If construction is required, level of responsibility to insure contractor compliance with construction documents and responsibilities for contract administration shall be defined.

4. Services and Materials to be Provided by District - All services to be provided by District, and available documents relative to the project, should be identified. Typical items which may be provided by either District or contractor include: surveys, permit processing, contract coordination, preparation of bid documents, geologic data, and preparation for public hearings.
 5. District liaison - The person responsible to act as district liaison on the project should be listed, and consultants should be advised to direct all questions regarding the project to that person.
 6. Insurance Language - Insurance requirements should be included in the RFP package. The sponsoring department should contact Director of Business Services and obtain appropriate language to be included.
 7. Selection Criteria - The criteria to be used in determining selection of the contractor should be listed including relative importance of each. The process proposed to be used for selection of the contractor should be outlined. Typically a rating sheet should be prepared which will list the selection criteria to be used and indicate the relative weight to be assigned to the various factors. Typical selection criteria include the following:
 - a. Cost.
 - b. Technical Approach.
 - c. Qualifications of the firm.
 - d. Qualification of the specific personnel who will work on the project.
 - e. Project management and adherence to required time schedules. Consideration should be given to location of the firm's office and the resulting availability of the firm for meetings with the public and staff.
 8. Proposal Requirements – Elements required to be submitted in the proposal include time and place for submittal of the proposal. Any specific insurance, licensing, or legal requirements should be included.
Typical proposal requirements include the following:
 - a. Name, address and telephone number of firm submitting proposal.
 - b. The identification of the project manager and/or principal contact with the District if selected for the project.
 - c. A complete description of the approach to the work and how the major work elements are to be accomplished.
 - d. Detailed estimate of work hours and materials per task.
 - e. Listing of personnel who would actually perform the work, including subcontractors, and the amount of time that each would commit to the project by task.
 - f. A representation that identified personnel proposed for the project will be made sufficiently available to the project so as it can be completed.
- 5.04 Competitive Bids to be Solicited by Public Notice – Formal bids shall be solicited by public notice.
- 5.05 Method and Extent of Notice – The public notice shall be published in the newspaper or elsewhere and may be sent directly to potential bidders notifying them that the District is accepting bids for a specific purpose.

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- 5.04 Submission of Bids - All bids shall be in writing and shall be submitted sealed to the Director of Business Services on or before the deadline therefore.
- 5.05 Bid Opening - All bids shall be opened at the time and place prescribed in the RFP in the presence of a Board Member, Chief Officer, and the Director of Business Services. All bids shall be opened and recorded by the Director of Business Services. A tabulation of all bids received, whether accepted or rejected, shall be made by the Director of Business Services, and shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.
- 5.06 Rejection of Bid - The Fire Chief may reject any and all bids and may re-advertise for bids when he/she determines the public interest will be served thereby.
- 5.07 Award of Contract for Purchases - The contract shall be awarded by the Board of Directors to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the District.
- 5.08 Where Tie Bids - In the case of a tie for lowest responsible bid, and if the public interest will not permit the delay of re-advertising for bids, the Board of Directors will award the contract to one of the bidders by drawing lots in public, or may make the purchase in the open market, provided the price paid in the open market shall not exceed the lowest contract bid price submitted.
- 5.09 Effect of Failure of Successful Bidder to Enter Contract - If the successful bidder does not enter into a contract within ten (10) days after mailing or personal delivery of notice of award of contract, the bidder shall forfeit in cash an amount equal to the amount of any surety which accompanied the bidder's bond, unless the District is responsible for the delay. The bidder shall also be liable for any cost in excess of his bid price which the District incurs in purchasing the supplies, services, or equipment elsewhere.
- 5.10 Faithful Performance Bond - If the Director of Business Services so requires, the successful bidder shall furnish surety in the form of a certified cashier's check or bond for the faithful performance of the contract in the amount specified.
- 5.11 Approval, Execution and Filing of Contracts - The District's legal counsel shall approve the form of all contract bid forms. Following such approval, the President of the Board of Directors shall sign all contracts on behalf of the District. A copy of each signed contract shall be filed with the Director of Business Services.

6.00 SOLE/SINGLE SOURCE PURCHASES

- 6.01 When Sole/Single Source Purchases Authorized Sole source purchases are authorized when requirements are of such a unique or specialized use or design that they are available only from a sole/single source provider, or when for the purposes of standardization it is advantageous to the District to purchase from a sole/single source provider. Such procurement must have Fire Chief approval prior to purchase.
- 6.02 Joint Purchases - Sole/Single Source Purchases are authorized in instances in which the District is purchasing items cooperatively with other governmental agencies for the purposes of cost reduction or operational efficiencies, provided the cooperative agreement is established following a competitive bid process. Purchases of items from a vendor on the basis of current federal GSA or state CMAS pricing are deemed to comply with this section.

7.00 SALE OR DISPOSAL OF SURPLUS PROPERTY

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7.01 General - Any item of District property with an estimated value of ten thousand dollars (\$10,000) or less may be declared surplus (property that is no longer needed or useable) to the District by the Fire Chief. The Board of Directors may declare any other item of District property surplus to the District. Upon such declaration it shall be the duty of the Director of Business Services to determine or approve one of the following methods of disposition that is the most appropriate and in the best interests of the District.

7.02 Methods of Disposition

1. Trade-In Property declared as surplus may be offered as a trade-in for credit toward the acquisition of new property. If surplus property is to be applied to a purchase order, the trade-in value shall be itemized on the Purchase Order. The amount charged against the expenditure account will be the value of the purchase before application of the trade-in credit.
2. Return to Manufacturer Surplus property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new property.
3. Disposal Surplus property may be offered for sale by the Purchasing Officer. All surplus property is for sale "as is" and "where is", with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability or the property offered for sale. Appropriate methods of sale are as follows:
 - (a) Public Auction - Surplus property may be sold at public auction. District staff may conduct public Auctions, or the District may contract with a professional auctioneer including professional auction services.
 - (b) Sealed Bids - Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsible bidder.
 - (c) Selling for Scrap - Surplus property may be sold as scrap if the Director of Business Services deems that the value of the raw material exceeds the value of the property as a whole.
 - (d) Negotiated Sale - Surplus property may be sold outright if the Director of Business Services determines that only one known buyer is available or interested in acquiring the property.
 - (e) No Value Item - Where the Director of Business Services determines that specific supplies or equipment are surplus and of minimal value to the District due to spoilage, obsolescence or other cause or where the Director of Business Services determines that the cost of disposal of such supplies or equipment would exceed the recovery value, the Director of Business Services shall dispose of the same in such a manner as he or she deems appropriate and in the best interest of the District.
 - (f) Other. Any other disposal process which is approved by the District by Resolution

7.03 Proceeds from the sale or trade-in of surplus property shall in all events be returned to the District.

8.00 EXEMPTIONS

8.01 Exemptions - The informal and formal bidding procedures shall not apply to the purchase of:

Attorney Services
Consultant Services
Insurance Claims and Premiums
Medical Payments (Physicians, lab, etc.)
Payments to Other Governmental Units
Property rentals

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Real property acquisition
Utility payments
Emergency repair and maintenance of equipment and facilities
Emergency supplies needed during natural or catastrophic disasters

9.00 REPORTING AND RECORDS

9.01 The Director of Business Services shall retain all completed bid documentation required by this procedure and retain it for review and compliance verification.

9.02 The Director of Business Services shall maintain an accurate accounting of funds expended from program budget accounts for purchases.

10.00 USE OF DISTRICT ISSUED CREDIT CARDS

10.01 The District has various credit cards (commercial supply accounts and Cal CARD credit cards) issued to individual employees. Use of such credit cards is regulated by the requirements of this procedure generally and Section 2.00 of this procedure specifically. Any use of such credit cards not in accordance with this procedure is grounds for disciplinary action.

11.00 PROFESSIONAL CONSULTANT SELECTION

11.01 A staff member shall prepare a scope of work consistent with budget and project authorization of the Fire Chief. The Request for Proposal (RFP) shall outline the District requirements and project description. The list of solicited firms will be drawn from firms who, in the opinion of the Fire Chief, can perform the work. A Request for Qualifications may first be necessary if the required services are particularly specialized or if the qualifications of the available consultants are unknown. The list of solicited firms may be limited to a minimum of 3 due to time constraints or specialties involved.

11.02 The review of proposals shall be conducted by the involved staff member(s), who shall make a recommendation to the Fire Chief regarding which consultants should be invited to interviews.

11.03 Interviews will be conducted by the staff member who deals with the subject matter of the proposal or an ad hoc committee shall be formed to conduct the oral interviews for selected consultants. The Committee will make a recommendation to the Fire Chief for final selection.

11.04 Qualifications shall be the determining factor in the selection of a professional consultant. Staff shall then negotiate the final fee based upon the agreed scope of work.

11.05 Prior to recommendation to the Board of Directors of approval of any contract, the Fire Chief shall determine if any background and reference checks are required and the Director of Business Services shall ensure that any required bonding or security is adequate.

11.06 Consultants shall comply with all regulations and laws dealing with conflict of interest disclosure and reporting. Consultants shall not be engaged if a conflict of interest exists.

11.07 Selection of Consultants for Professional Services for Continuing Services: Professional firms providing engineering, auditing, landscape, architecture or other services may be retained on a continuing basis to provide professional services. The Director of Business Services, with the approval of the Fire Chief, may contract on a project-by-project or on a retainer basis for additional work/services without going through the RFP and selection process. At least every three years these arrangements shall be reviewed and every effort shall be made to receive proposals from at least three consultants to perform the same services. This is to ensure the District is receiving the best value in their services.

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12.0 UNAUTHORIZED PURCHASES

- 12.1 Except for emergencies or other authorized exemptions stated in these guidelines, no purchase of supplies, services, or equipment shall be made without authorization. Otherwise:
1. Such purchases are void and not considered an obligation of the District.
 2. Invoices without proper authorization may be returned to the vendor unpaid.
 3. The person ordering the unauthorized purchase may be held personally liable for the costs of the purchase or contract.
- 12.2 Authorization shall be issued prior to ordering supplies, equipment and services and not "after the fact" for work already done or materials already ordered.

BE IT FURTHER RESOLVED by the Board of Directors of the Aptos/La Selva Fire Protection District that Resolution 6-11 is hereby rescinded.

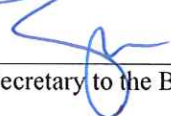
PASSED AND ADOPTED by the Board of Directors of the Aptos/La Selva Fire Protection District, County of Santa Cruz, State of California, this 10th day of March 2016, by the following vote:

AYES: *Abendschan, Foster, Hawley*
NOES:
ABSENT: *Spisak, Weatherford*
ABSTAIN:



President of the Board of Directors

ATTEST:



Secretary to the Board