



G.C.S.D. Services – 209 / 962-7161
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FILED

DATE 5-13-02

IN THE OFFICE OF
GROVELAND COMMUNITY
SERVICES DISTRICT

RESOLUTION NO. 5-02

By Carol R. Calver
SECRETARY

POLICIES, PROCEDURES AND BIDDING REGULATIONS
GOVERNING PROCUREMENT BY
GROVELAND COMMUNITY SERVICES DISTRICT

1. Purpose:

The purpose of this resolution is to define policies and procedures governing purchases of supplies, equipment, contractual and other services by the Groveland Community Services District.

2. Definitions:

As used in these regulations:

- (a) "Board" means the Board of Directors of said District;
- (b) "Contractual Services" mean the services of attorneys, engineers, consultants, or other individuals or organizations possessing a high degree of technical skill;
- (c) "District" means the Groveland Community Services District or any organizational unit thereof;
- (d) "emergency" has the meaning set forth in Public Contract Code Section 1102: a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. if, in the case of an emergency, the District will not give notice for bids to let contracts, the Board shall comply with Public Contract Code Sections 22050 et seq. regarding emergency contracting procedures.
- (e) "Maintenance" means:
 - (i) Routine, recurring and usual work for the preservation or protection of any publicly

owned or publicly operated facility for its intended purposes.

- (ii) Minor repainting
 - (iii) Resurfacing of streets and highways at less than one inch.
 - (iv) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants and servicing of irrigation and sprinkler systems.
 - (v) Work performed for upkeep, basic operation, and maintenance of the District's water, power, or waste disposal systems, including but not limited to dams, reservoirs, and power plants.
- (f) "Public Project" is any of the following:
- (i) Construction, reconstruction, erection, alteration, removal, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.
 - (ii) Painting or repainting of any publicly owned, leased or operated facility.
 - (iii) For the District's utility systems, only the construction, erection, improvement or repair of dams, reservoirs, and power plants.
- (g) "Supplies" and "equipment" mean any and all articles, materials, or things which shall be used by District.

3. Purchases by General Manager and Fire Chief

The Board hereby authorizes the General Manager of the District to purchase supplies and equipment for the District or any organizational unit thereof, and the Fire Chief to purchase supplies and equipment for the Fire Department, in conformance with the following guidelines:

(a) Non-Budgeted Items:

Prior authority from the Board shall be obtained by the General manager or Fire Chief for the expenditure of funds in excess of \$2,500 that are

not provided for in the budget for the fiscal year

(b) Leases and Contracts:

The General Manager or Fire Chief shall not enter into any lease, lease-purchase agreement, contract, installment contract or any other arrangement other than a direct cash purchase for securing equipment, supplies or services in excess of \$2,500 without prior authorization by the Board.

(c) Budget Items Specified on Supplemental Budget Schedules

The budget contains a schedule of anticipated revenues and expenses identified only by account, and supplemental schedules setting forth expenditures for certain specified items. Unless otherwise directed by the Board, the General Manager or Fire Chief has authority to expend funds for items designated on supplemental schedules at any time during the fiscal year.

(d) Items on General Budget Schedules not Provided for in Supplemental Schedules:

The general budget schedule identifies by general accounts the expenditures planned for the regular day-to-day operation of the District during the fiscal year and contemplates the maintenance of inventory of standard items in the categories of materials, supplies and tools regularly used in the ordinary routine of operation. Unless otherwise directed by the Board the General manager and Fire Chief have authority to make expenditures necessary for the ordinary day-to-day operation of the District and Fire Department within the amounts of funds so provided in the general schedule.

Unless otherwise directed by the Board the General Manager or Fire Chief may, in order to effect savings, also make quantity purchases of

inventoried items without prior specific approval by the Board.

(e) Informal Contract Procedures:

Purchase of supplies and equipment, where the item is estimated to cost \$10,000.00 or less, or where the annual cost of a commodity (like fuel or other consumables) will be \$10,000 or less, may be made by the General manager or Fire Chief in the open market without observing the procedure prescribed by subsection (4) of this section 3(e)

(i) Minimum Number of Bids

Open market purchases shall, wherever possible, be based on at least three bids, and shall be awarded to the lowest responsible bidder; provided, that if bids are received from firms located within the District, that the lowest responsible bid of a firm located within the District may be accepted if it is no more than five percent higher than the lowest responsible bid from a firm located outside the District. If the supply or equipment is available through a purchasing program offered by the State of California, the purchase may be made at a price equivalent to the program price without further bidding by the District.

(ii) Notice Inviting Bids

The General manager or Fire Chief shall solicit bids by written request to prospective vendors, by telephone and by public notice posted on a public bulletin board in the offices of the District

(iii) Written Bids

Sealed written bids shall be submitted to the General Manager or Fire Chief. The District shall keep a record of all open market orders and bids for a period of one year after the submission of the bids or the placing of orders. This record, while so kept, shall be open to public inspection.

4. Formal Contract Procedure:

Except as otherwise provided for herein purchases of supplies and equipment estimated to cost more than \$10,000 and contracts for construction or other work of an estimated value of \$15,000 or more, shall be by written contract awarded to the lowest responsible bidder pursuant to the procedure prescribed herein.

a. Notice Inviting Bids:

Notices inviting bids shall include a general description of the articles to be purchased or work to be performed and shall state where bid blanks and specifications may be secured and a time and place for opening bids.

(i) Publish Notice

Notices inviting bids shall be published at least 14 days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation, printed and published in the County of Tuolumne, State of California, and elsewhere in the discretion of the General Manager.

(ii) Bidders' List

The General Manager shall also solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list or who have requested their names to be added thereto.

(iii) Bulletin Board

The General manager shall also advertise pending purchases by a notice posted on a public bulletin board at the District office.

b. Bidders' Security

When deemed necessary by the General manager, bidders security may be prescribed in a public notice inviting that the successful bidder shall forfeit his bid security upon refusal or failure to execute the contract within 10 days after the notice of award of contract has been mailed, unless the District is responsible for the delay. The Board may, on refusal or failure or the successful bidder to execute the contract, award

it to the next lowest responsible bidder. if the Board awards the contract to the next lowest bidder, the amount of the lowest bidders' security shall be applied by the District to the difference between the low bid and the second lowest bid and the surplus, if any, shall be returned to the lowest bidder.

c. Bid Opening Procedure:

Sealed bids shall be submitted to the General manager and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.

In its discretion, the Board may reject any and all bids presented and re-advertise for bids.

d. Award of Contracts:

Contracts shall be awarded by the Board to the lowest responsible bidder except as otherwise provided herein.

e. Tie Bids

If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re-advertising for bids, the Board may accept the one it chooses or accept the lowest bid made by coin toss or drawing lots at the time the bids are opened.

f. Performance Bonds

The Board shall have authority to require a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the District. If the Board requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

g. Commodity Items Available Through State Purchasing Programs.

5. Public Contract Code Procedures:

(a) The District is a Community Services District subject to the provisions of Section 20680 et seq. of the Public Contract Code.

(b) The District may perform any work of construction or operation (including maintenance) under its own superintendence or may contract for the performance of such work by others.

(c) Bidding

(i) Where the District Board approves a project for construction of a unit of work (including a Public project) estimated to cost more than fifteen thousand dollars (\$15,000), the contract shall be let to the lowest bidder after competitive bidding, as described in Section 4 and this Section 5.

(ii) The Board has the right to reject any and all bids, in which case the Board may call for new bids.

(iii) All bids for construction work shall be accompanied by bidder's security in one of the following forms: cash, a cashier's check payable to the District, a certified check made payable to the District, or a bidder's bond issued by an admitted surety insurer, made payable to the District.

(iv) When a contract is awarded to the lowest bidder, the District shall return the unsuccessful bidders' security in a reasonable

period of time. In no event will the District hold unsuccessful bidders' security more than sixty (60) days from the time the award is made.

(v) For any contract for construction of \$25,000 or more, the District shall require the contractor to furnish two surety bonds: one bond shall be for the benefit of laborers, subcontractors and material suppliers and shall meet the requirements of Civil Code Section 3247 et seq. and a performance bond naming the district as the beneficiary. Both bonds shall be issued by a corporate surety authorized to transact surety business in California. Before accepting the bonds, the District shall confirm with the Department of Insurance that the surety is admitted to transact surety business in the State of California, and require the contractor to provide the certificate from the County Clerk required pursuant to Code of Civil Procedure Section 995.650.

(d) Force Account

The District may have work done by force account under the following conditions:

(i) If no proposals are received

(ii) Where the estimated cost of the work does not exceed then thousand dollars (\$10,000)

(iii) Where the work consists of emergency work

For purposes of this section 5(d), "force account" means work performed under a contract which provides for payment based on the cost of labor, materials and equipment, plus a fixed markup for the contractor's overhead and profit.

(e) Purchases of Materials and Supplies:

(i) Subject to the restriction in (e) (ii), the District may purchase materials and supplies for use in work either under contract or by force account in the open market without calling for bids

(ii) However, if the materials and supplies are for use in any new construction work or improvement, the District shall purchase materials or supplies that cost more than \$15,000 pursuant to the formal bidding procedures set forth in sections 4 and 5, unless the materials and supplies are for construction work for which the District has received no bids, or that does not exceed the sum of \$10,000, or that is emergency work.

f. Emergency Procedures

(i) In an Emergency, the District can take any directly related and immediate action required by the emergency and procure necessary equipment, services and supplies for those purposes without giving notice for bids to let contracts. The action must be authorized by a four-fifths vote of the Board. The Board may delegate the authority to order such action to a nonelected agency officer. The delegation must be by four-fifths vote on a resolution or ordinance.

(ii) Before taking emergency action, the Board must make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency. The governing body shall review the emergency action at its next regularly scheduled meeting and at every regularly scheduled meeting thereafter until the action is terminated. At each meeting, the Board must determine, by four-fifths vote, that there is a need to continue the emergency action.

(iii) If the Board has delegated authority to take emergency action, the person with authority shall report to the Board at its next meeting the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency. The Board shall review the emergency action no more than seven days after the action, or at its next

regularly scheduled meeting if that meeting is less than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the emergency action is terminated. At each meeting, the Board shall determine, by four-fifths vote, that there is a need to continue the action, unless the emergency action has already been terminated.

(iv) When the Board reviews any emergency action, it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice to let contracts.

6. Labor Code Provisions:

The District shall require contractors performing work under contract with the District, including force account, as defined above, to comply with all applicable provisions of the Labor Code, including but not limited to laws regarding payment of prevailing wages.

7. Contractual Services:

The District Manager shall make recommendations to the Board for the award of contracts for Contractual Services. The Board may negotiate contracts for such services as it sees fit, or may authorize the General Manager to do so subject to final approval by the Board.

PASSED AND ADOPTED by the Board of Directors of the Groveland Services District, this 13th day of May 2002, by the following vote:

AYES: DIRECTORS: Norris, Henderson, Myers, Edwards, Moore
NOES: DIRECTORS: None
ABSENT: DIRECTORS: None


Donald B. Myers, President

ATTEST


Carol A. Carlson, Secretary