

Number: **BP 035**

Authority: Board of Directors
Revised: January 9, 2025
Reviewed: December 3, 2024
Initiating Dept./Div.: Administration /
Finance, Engineering/Capital Projects



BOARD POLICY

PROCUREMENT

PURPOSE

To receive the best value for materials, supplies, equipment, services and public works projects, and to promote free and open competition through a fair and equitable selection process that complies with applicable federal, state and local laws and regulations.

POLICY

1. Comply with applicable federal, state and local procurement laws and regulations including the District's Purchasing Policies and Procedures;
2. Provide a fair and equitable bidding environment that fosters competition from responsive and responsible prospective contractors and vendors;
3. Provide transparency to the public for procurement practices and transactions;
4. Provide a timely, effective and consistent method of procurement of goods and services;
5. Provide best overall value for the supply of goods and services to support the needs of District departments and divisions;
6. Perform purchasing activities with the highest ethical standards;
7. Support the purchase of environmentally sustainable products and services that minimize environmental impacts to the extent practicable and cost effective;
8. Manage inventory in a fiscally responsible manner;
9. Dispose of surplus, damaged, scrap, excess and obsolete material, equipment and supplies efficiently and economically in accordance with District policies and procedures; and
10. Establish and maintain provisions for compliance with the Uniform Public Construction Cost Accounting Act (UPCCAA), as set forth in Exhibit B.

PROCUREMENT AUTHORITY

The Finance Division is the centralized procurement authority to contract for goods and services, including maintenance and professional services, on behalf of the District in accordance with Chapter 2.36, Section 2.36.010 of the Central Contra Costa Sanitary District Code. The Materials Services function, under the purview of the Deputy General Manager - Administration, is authorized to act as an agent of the District for the procurement of stocked inventory requirements and non-stocked inventory goods.

The Capital Projects Division is authorized and responsible for contracting for public works/construction projects (District Projects), whether informally bid or formally bid, in accordance with Chapter 2.36, Section 2.36.010B of the Central Contra Costa Sanitary District Code, the California Government Code, and the California Public Contract Code,

Refer to Board Policy No. BP 037 – *Delegation of Authority to General Manager* for specific authority limits regarding contracts for goods and services and construction/District projects.

SOLICITATION REQUIREMENTS

The minimum solicitation requirements for procurement of goods and services, professional consulting services, and construction/District Projects are set forth in Exhibit A. Exhibit B contains provisions for informal bids of construction/District Projects.

REPORTING REQUIREMENTS

To enhance transparency over the District's procurements, the following periodic reports should be delivered to the Board or Committee at specified intervals:

- **General Manager Authorized Contracts and Agreements** – On a quarterly basis, any professional agreements (Professional Consulting, Technical Consulting, and Professional Engineering) executed above \$50,000 but below \$200,000 (including revisions) are required to be reported via a General Manager Written Announcement to the Board. This quarterly report shall also include public works/construction contracts executed within the informal UPCCAA limits (above \$75,000 but below \$220,000, including revisions).
- **Long-term Contracts** – It is a public procurement best practice that limits be placed on the duration of contracts to ensure contracts for goods and services are periodically subject to competitive bidding. Accordingly, on an annual basis, staff shall provide the Board Finance Committee with a listing of contracts and blanket purchase orders that have not been competitively bid in over five (5) years that have an annual spend greater than \$25,000 with an explanation justifying this treatment.

Number: **BP 035**

PROCUREMENT

Page 3 of 6

RESPONSIBILITIES

The General Manager, Finance Manager, Capital Projects Division Manager, Deputy General Manager - Administration, and the Deputy General Manager- Engineering & Operations are authorized to establish and implement internal administrative procedures to support this Policy.

[Original retained by the Secretary of the District]

EXHIBIT A

Minimum Solicitation Requirements¹

Value	PROCUREMENT CATEGORY		
	Goods and Services ⁶	Professional / Technical / Engineering Consulting Services ⁶	Public Works / Construction (District Projects) ¹
≤ \$5,000	Competitive Quotes Not Required (best judgement purchase)		Competitive Quotes Not Required (best judgement purchase)
> \$5,000 and ≤ \$15,000	Minimum of Two (2) Quotes (as possible)		Minimum of Two (2) Quotes (as possible)
> \$15,000	Minimum of Three (3) Quotes ³ (as possible)		
> \$15,000 and ≤ \$75,000 ²			Minimum of Three (3) Quotes (as possible)
> \$75,000 ² and ≤ \$220,000 ²			Informal Bidding Procedure (UPCCAA)
> \$220,000 ²			Formal Bid
< \$50,000		Informal Selection ⁴	
≥ \$50,000 and ≤ \$150,000		Informal Solicitation ⁵	
> \$150,000		Formal Request for Proposals	

¹The value limits are reflective of the total anticipated amount for the entire term of the contract and apply to all procurement situations noted in the table above. The value thresholds and categories are further specified in the District's Purchasing Procedures. Projects may not be split into smaller projects for the purpose of circumventing any of the limits in the table above.

² These limits shall be raised concurrently with changes to Public Contract Codes 22000-22050 under the Uniform Public Construction Cost Accounting Act (UPCCAA).

³ Purchasing reserves the discretion to utilize a more formal solicitation process when beneficial to the District.

⁴ Informal Selection: The Project Manager in charge of the project shall recommend a consultant taking into account (a) the nature of the project, (b) the geographic proximity of the consultant to the project, (c) the capability of the consultant to produce the required service within a reasonable time, (d) past performance, and (e) ability to meet project budget requirements. Appropriate internal approvals of the recommendation will be obtained prior to award.

⁵ Informal Solicitation: The Project Manager shall conduct an informal solicitation of telephone and letter proposals from a limited number of firms and recommend a consultant based on their qualifications in relation to factors (a)-(e) noted above. Appropriate internal approvals of the recommendation will be obtained prior to award.

⁶ This category includes software-as-a-service (SAAS) and other subscription-based information technology services. Regardless of fund, whether Running Expense (O&M), Sewer Construction, of Self-Insurance.

EXHIBIT B

Informal Bid Requirements (Formerly Contained in BP 036)

The following provisions of the Purchasing Policy set forth Central Contra Costa Sanitary District (Central San) Board Policy on informal bidding pursuant to the Uniform Public Construction Cost Accounting Act (UPCCAA) (California Public Contract Code (PCC) §§22000-22045):

1. District Projects, as defined by PCC §20801, may be let to contract by the informal procedures as set forth in the UPCCAA.
2. The District Board delegates the authority to award such informal bid contracts to the General Manager or his designee.

3. UPCCAA Bidding Thresholds for District Projects

- a. District Projects of \$75,000¹ or less may be performed by the employees of the District by force account, negotiated contract, purchase order, or competitive quotes in accordance with the UPCCAA.
- b. District Projects of greater than \$75,000¹ and less than \$220,000¹ may be let to contract by informal bidding procedures as set forth in the UPCCAA.
 - 1) If a District Project was let to contract by informal bidding under the UPCCAA procedures, then Board approval is required for a change order to the public project that would cause the total cost of the project to exceed \$220,000¹.
- c. District Projects of more than \$220,000¹ must be let to contract by the formal bidding procedures set forth in the PCC.

4. Notice to Contractors Inviting Informal Bids

- a. The District will maintain a list of qualified contractors, identified by categories of work. Contractors on the list for the category of work being solicited will be emailed a notice inviting informal bids or quotes at least 10 calendar days before bids are due.
- b. Alternatively, the District may elect to email a notice inviting informal bids or quotes to the applicable construction trade journals specified in PCC §22036 or the District's electronic bid management system (i.e., PlanetBids, Periscope, etc.).

¹ These limits shall be raised automatically, concurrently with changes to the UPCCAA.

- c. The notice inviting informal bids must describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.

5. Rejection of Bids

- a. In its discretion, the District may reject any bids by providing written notice pursuant to the terms of PCC §22038.
- b. If a contract is awarded, it must be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the District may accept the one it chooses.
- c. If no bids are received through the formal or informal procedure, the project may be performed by the employees of the District by force account or negotiated contract without further complying with the UPCCAA.

6. Prohibition on Splitting Projects to Evade Bidding Thresholds

District Projects shall not be split or separated into smaller work orders or projects for the purpose of evading the provisions of the UPCCAA requiring work to be done by contract after formal or informal competitive bidding.