

# DIABLO WATER DISTRICT

## REGULATION NO. 107

### PURCHASE OF SUPPLIES AND EQUIPMENT

#### **Section I. Purpose and Authority**

- A. The purpose of this regulation is to establish efficient policies and procedures governing purchases of supplies and equipment by the District to assure that purchases will be of the best value to the District. This regulation is adopted pursuant to the provisions of Section 54202 of the Government Code of California. The laws of California shall govern in the event anything herein is inconsistent or in conflict therewith.
- B. When determining best value, the District shall consider: the quality of product, price, lifecycle costs, and lifetime greenhouse gas emissions.

#### **Section II. Purchasing Officer**

- A. The General Manager shall, in addition to his other duties, be the Purchasing Officer of the District. The Purchasing Officer shall have the authority to purchase, and to negotiate and recommend execution of contracts for the purchase of supplies and equipment required by the District in accordance with the procedures set forth in this regulation.

#### **Section III. Formal Contract Procedure**

- A. Supplies and equipment costing \$15,000 or more shall follow the following procurement process:
  - 1. Requestion initiated by staff requiring supplies and equipment.

2. Purchase order generation by separate staff person.
  3. Purchase order approval by GM (additional signature may be required as outlined in Section III.B).
  4. Receiving of supplies and equipment.
  5. Invoice matching.
  6. Check requests by staff not involved in purchasing or approval process.
  7. Check approval by General Manager.
  8. Issue check/payment.
- B. Supplies and equipment costing \$15,000 or more shall be purchased only after advertisement and solicitation of sealed bids from responsible prospective suppliers known to the Purchasing Officer.
1. Budgeted items costing up to \$50,000 may be awarded by the Purchasing Officer.
  2. Budgeted items costing \$50,001 to \$99,999 may be awarded by the Purchasing Officer plus the signature of two Directors.
  3. Budgeted items costing \$100,000 and over shall be awarded by the Board of Directors. The Board in its discretion may reject any and all bids; otherwise, a contract will be awarded to the bidder that provides the best value to the District. In the event of tie bids, the Board may accept the one it chooses or accept the lowest bid made by negotiation with the tie bidders.
  4. Unbudgeted items costing \$15,000 or more shall be awarded by the Board.

**Section IV. Open Market Procedure**

- A. Supplies and equipment costing less than \$15,000 may be purchased by the

Purchasing Officer in the open market without inviting sealed bids. If the price exceeds \$5,000, the Purchasing Officer shall keep a record of all quotations received and all open-market orders and purchases made, which shall be available for public inspection for at least one year after delivery of the supplies and equipment.

**Section V. Purchases from Sole Vendor**

- A. The procedures in Sections 3 and 4 need not be followed whenever the Purchasing Officer determines that the supply or equipment required by the District is available from only one vendor.

**Section VI. Emergency Purchases**

- A. The procedures here may be modified to the extent reasonably necessary to meet time requirements in the event of an emergency which interrupts, or threatens to interrupt, the water service provided by the District. The Purchasing Officer shall report the details of each emergency purchase to the Board of Directors at its next regular meeting.