

## MEMORANDUM

Date: October 24, 2018  
To: Board of Directors  
From: Amy Poncato, Administrative Office Assistant  
Subject: Errata Memo for October 25, 2018 Board Meeting Agenda Packet

The following corrections (underline/strikeout) had been made to the agenda packet for the October 25, 2018 Santa Margarita Groundwater Agency Board of Directors meeting:

## General Business Item 5.1 Procurement Policy

## Page 5.1.2 Resolution No. 2018-04

- 1) California Water Code section 10726.2(a) authorizes a groundwater sustainability agency to “acquire by grant, purchase, lease, gift, devise, contract, construction, or otherwise, and hold, use, enjoy, sell, let, and dispose of, real and personal property of every kind, including lands, water rights, structures, buildings, rights-of-way, easements, and privileges, and construct, maintain, alter, and operate any and all works or improvements, within or outside the agency, necessary or proper to carry out any of the purposes of the Sustainable Groundwater Management Act.

## Page 5.1.4 Policy P2 Procurement

## 1.30 Contracting Authority \$25,000 - \$50,000

- (a) The General Manager, after seeking written proposals, may enter into contracts for Services or Supplies ~~of more than \$25,000 and less than~~ in the amount of \$50,000 or less and in excess of \$25,000, provided there are funds in the approved budget for such Services or Supplies.
- (b) If the General Manager enters into a contract for Services or Supplies ~~of more than \$25,000 and less than~~ in the amount of \$50,000 or less and in excess of \$25,000, the General Manager will inform the Agency Board of such contract at the next regularly scheduled Board meeting.

## 1.50 Renewals or Extensions

The General Manager may amend, extend or renew contracts for Services or Supplies with existing contractors, consultants or suppliers (each, an “Amendment”) without seeking competitive proposals, provided the contract limit on the Amendment is ~~less than~~ \$50,000 or less, and further provided there are funds in the approved budget for such Services or Supplies.

If the General Manager enters into an Amendment for Services or Supplies ~~of more than \$25,00 and less than~~ in the amount of \$50,000 or less and in excess of \$25,000, the General Manager will inform the Agency Board of such contract at the next regularly scheduled Board meeting.

Attached: Resolution 2018-04 (rev)  
Policy P2 Procurement (rev)



# Santa Margarita Groundwater Agency

## RESOLUTION NO. 2018-04

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA MARGARITA GROUNDWATER AGENCY  
ESTABLISHING POLICY P2 PROCUREMENT POLICY

WHEREAS:

- 1) California Water Code section 10726.2(a) authorizes a groundwater sustainability agency to acquire by grant, purchase, lease, gift, devise, contract, construction, or otherwise, and hold, use, enjoy, sell, let, and dispose of, real and personal property of every kind, including lands, water rights, structures, buildings, rights-of-way, easements, and privileges, and construct, maintain, alter, and operate any and all works or improvements, within or outside the agency, necessary or proper to carry out any of the purposes of the Sustainable Groundwater Management Act.
- 2) The Board of Directors has determined that it is prudent to formally establish a policy setting procurement guidelines that support the Agency's long-term financial health and operational stability.

BE IT RESOLVED by the Santa Margarita Groundwater Agency Board of Directors that it hereby:

Establishes Policy P2 Procurement, effective immediately.

Passed and adopted this 25<sup>th</sup> day of October 2018 by the following Roll Call vote:

AYES: NAMES  
NOES: NAMES  
ABSENT: NAMES

Approved: \_\_\_\_\_  
Chris Perri, Chair  
Santa Margarita Groundwater Agency

Attest: \_\_\_\_\_  
Angela Franklin, Secretary  
Santa Margarita Groundwater Agency



# Santa Margarita Groundwater Agency

## POLICY

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<b>Policy No.:</b> P2	<b>Policy Title:</b> Procurement
<b>Effective Date:</b> 10/25/18	<b>Resolution No:</b> 2018-04
<b>Policy Description:</b> Establishes Guidelines for Procuring Services and Supplies	

### POLICY

#### 1.10. Procurement of Services and Supplies

- (a) Professional and consulting services (“Services”) are of a technical and professional nature, and, due to the nature of the services to be provided, do not fall within the “low bid” competitive bidding process.
- (b) Except as provided in subparagraph (c) below, when selecting professional or consulting consultants, the Agency representatives evaluating the proposals will consider the consultant’s demonstrated experience and competence, insurability, understanding of the scope of work, financial ability, resources to perform the work, willingness to cooperate with the Agency representatives and other consultants, and proposed methods to ensure timely and acceptable performance and management of the work. An award of a contract will be made to a qualified consultant whose proposal will be most advantageous to the Agency, with price and other factors considered.
- (c) The selection for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms will be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, pursuant to Government Code Section 4526.
- (d) Selection of the successful vendor of supplies or equipment (“Supplies”) will be based on the proposal that is most advantageous to the Agency, with price and other factors considered.

#### 1.20 Contracting Authority \$25,000 or Less

The General Manager of the Business Agent (“General Manager”) of the Santa Margarita Groundwater Agency may, by negotiated contract or purchase order, enter into contracts for Services or Supplies in the amount of \$25,000 or less, provided there are funds in the approved budget for such Services or Supplies.

### **1.30 Contracting Authority \$25,000 - \$50,000**

- (a) The General Manager, after seeking written proposals, may enter into contracts for Services or Supplies in the amount of \$50,000 or less and in excess of \$25,000, provided there are funds in the approved budget for such Services or Supplies.
- (b) If the General Manager enters into a contract for Services or Supplies in the amount of \$50,000 or less and in excess of \$25,000, the General Manager will inform the Agency Board of such contract at the next regularly scheduled Board meeting.

### **1.40 Contracting Authority \$50,000 +**

The General Manager will seek competitive written proposals for Services or Supplies estimated to cost more than \$50,000. Agency representatives will review and rank proposals. Based on the findings of Agency representatives, the General Manager will make a recommendation to the Agency Board. Contracts for Services and Supplies in excess of \$50,000 will be approved by the unanimous vote of the six (6) Member (Scotts Valley Water District; San Lorenzo Valley Water District and County of Santa Cruz) Directors. (Pursuant to Section 9.3 of the Agency's JPA).

### **1.50 Renewals or Extensions**

The General Manager may amend, extend or renew contracts for Services or Supplies with existing contractors, consultants or suppliers (each, an "Amendment") without seeking competitive proposals, provided the contract limit on the Amendment is \$50,000 or less, and further provided there are funds in the approved budget for such Services or Supplies.

If the General Manager enters into an Amendment for Services or Supplies in the amount of \$50,000 or less and in excess of \$25,000, the General Manager will inform the Agency Board of such contract at the next regularly scheduled Board meeting.

Amendments in excess of \$50,000 shall be approved by the unanimous vote of the six (6) Member (Scotts Valley Water District; San Lorenzo Valley Water District and County of Santa Cruz) Directors. (Pursuant to Section 9.3 of the Agency's JPA).

### **1.60 Exceptions**

The Agency or its representatives are not required to obtain competitive proposals in the following circumstances:

- (a) When the Services or Supplies are needed on an emergency basis.
- (b) When competitive procurement would fail to produce an advantage and when the procurement process is undesirable, impractical, or impossible. Examples include situations when the Services or Supplies are to be performed in partnership with other public agencies or nonprofit organizations; or are to be paid for with private funds;

- (c) When the Services or Supplies are either:
  - (i) available from only one source, or
  - (ii) unique due to the specialized skill or experience of the contractor, consultant or supplier, or
  - (iii) proprietary in nature.
- (d) When the Services or Supplies are required to match, integrate or be compatible with an existing project or program and the work, materials or services are from a contractor, consultant or vendor who previously satisfactorily performed/provided work, materials or services to a Member of the Agency or the Agency.
- (e) When the Services or Supplies are obtained by cooperative procurements or “piggyback” on the competitive procurement process of another agency. The Agency shall have the authority to join with other public jurisdictions in cooperative purchasing plans, programs or pricing agreements. The Agency may also contract for Services and Supplies at a price established by competitive procurement by another public jurisdiction in substantial compliance with that public agency’s competitive procurement process. The Agency may also contract with any federal, state, municipality or other public agency.
- (f) In the event any of the exceptions to the competitive procurement process are used, the recommendation will be documented in writing and approved by the General Manager for procurements within the authority of the General Manager and by the Agency Board for procurements requiring Agency Board approval.