POLICY NAME: PROCUREMENT POLICY AND PROCEDURES

POLICY NUMBER: 2135 Adopted: October 9, 2018 Amended: April 11, 2023, July 9, 2025, August 3, 2026

ARTICLE I. GENERAL

Section 1.01 Purpose

The purpose of this policy is to establish the procedures governing purchase requisitions for materials, supplies, and equipment in accordance with the State of California Government Code and contracting for public projects and consulting services in accordance with the State of California Public Contract Code and the Uniform Public Construction Cost Accounting Act.

Section 1.02 Definitions

For the purposes of this policy, unless otherwise apparent from the context, certain words and phrases used in this chapter are defined as follows:

Bidder's List – refers to a list of prospective vendors.

Consultant – refers to a specially trained and experienced individual or firm for which they are qualified to provide expert services or advice related to financial, economic, accounting, architectural, engineering, legal, insurance, data processing, personnel, or other administrative matters,

Board - refers to the Board of Directors of Georgetown Divide Public Utility District.

Contractor's List – refers to a list of contractors qualified to perform the duties required to construct public projects, which should be developed and maintained by the General Manager using the criteria detailed by the California Uniform Construction Cost Accounting Commission.

District – refers to the Georgetown Divide Public Utility District.

Emergency - refers to 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.

Equipment - includes large heavy equipment, vehicles, furniture, and fixtures.

Facility – means any plant, building, structure, ground facility, or utility system, subject to the limitation found in Public Contract Code Section 22002(c)(3), real property, streets, and highways, or other public works improvement.

Force Account – refers to the part of the financial account of a public body resulting from the employment of a labor force usually distinguished from the part resulting from contracting similar services with commercial agencies. The Uniform Public Construction Cost Accounting Act allows for public work in the amount of $60,000 or less to be performed

by

a public agency's force account using the public agency's own resources, or by negotiated contract, or by purchase order.

General Manager - is the General Manager as appointed by the Board of Directors of Georgetown Divide Public Utility District.

Government Code - refers to the Government Code of the State of California.

Local Business Preference List – refers to a list of vendors located within the District and are qualified to provide supplies, equipment, and services for maintenance and public projects.

Professional Services – shall mean and include professional services of any type or variety, including, but not limited to, services rendered by accountants, appraisers, architects, attorneys, auditors, designers, engineers, inspectors, physicians, surveyors, and other professional and technical callings requiring special licenses or certifications.

Public Contract Code - refers to the Public Contract Code of the State of California.

Public Project - defined in Chapter 2, Section 22002 of the Public Contract Code as:

(a) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.

(b) Painting or repainting of any publicly owned, leased, or operated facility.

(c) In the case of a publicly owned utility system, a "public project" shall include only the construction, erection, improvement, or repair of dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

(d) A public project does not include maintenance work. For purposes of this policy, maintenance work includes all of the following:

(1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.

(2) Minor repainting.

(3) Resurfacing of streets and highways at less than one inch.

(4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

(5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including but not limited to, dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts or higher.

Purchase – refers to the acquisition of property including rental lease or trade.

Purchasing Agent - refers to the appointed positions of the District charged with responsibilities governing procurement of supplies, equipment, and contracts for maintenance and public project services.

Responsible Bidder - refers to a bidder who has demonstrated the specified qualifications and capabilities to satisfy the proposed work requirements and responds appropriately according to the demands of the bidding instructions.

Supplies - includes materials, small tools and equipment, and other goods or commodities utilized in the daily operational efforts of the District.

Uniform Construction Cost Accounting Act (Act) – the Act is legislation that was enacted in 1983 to help promote uniformity of the cost accounting standards and bidding procedure on construction work performed or contracted by public entities in the "state" (Section 22001). The Act is a voluntary program available to all public entities in the State, but it applies only to those public agencies that have "opted in" to the provisions set forth by the Act using the processes outlined in the Act. The entirety of the Act is found in Sections 22000-22045.

1.03 Purchasing Agents

(a) The Office/Finance Manager, Operations Manager, Water Resource Manager or General Manager shall act as the Purchasing Agents for procurements up to the thresholds set forth in this section. The Operations Manager, the Office Finance Manager, and the Water Resource Manager shall not have signature authority on contracts procured pursuant to this policy.

(b) The General Manager shall act as the Purchasing Agent for procurements with a value of more than Fifteen Thousand Dollars ($15,000.00) and up to Fifty Thousand Dollars ($50,000.00).

(c) Procurement limits and contract signing authority are listed in Table 1.03(c), below:

Table 1.03(c) - Authorization Table

Title	Procurement Limit	Contract Signing Authority
General Manager	Up to $50,000*	Up to $50,000 without Board authorization. * Over $50,000 requires Board authorization. *
Operations Manager	Up to $15,000	None
Office Finance Manager	Up to $15,000	None
Water Resource Manager	Up to $5,000	None
NOTE: This table serves to summarize the provisions of Section 1.03. If this table conflicts with the language of Section 103, the latter shall control.		

**General Manager shall have contract signing authority up to $100,000 in case of emergency procurements pursuant to this policy.*

Section 1.04 Purchasing Agent Duties

The purchasing agent shall have the authority to:

(a) Purchase or contract for supplies, equipment, maintenance services, or public projects in accordance with the purchasing procedures detailed in this directive; *Exception*. The Operations Manager does not have signature authority on contracts procured pursuant to this policy;

(b) Procure quality supplies, equipment, and services for maintenance and public projects at the least expense to the District;

(c) Obtain as full and open competition as possible on all purchases and contracts;

(d) Keep informed of the current developments in the field of purchasing and contract administration as well as prices, market conditions and new products;

(e) Maintain reasonably necessary forms for the administration and operation of adhering to the procedures detailed in this directive;

(f) Supervise the regular inspection of all supplies and equipment for adequacies in their intended use;

(g) Obtain chemical and physical results of samples submitted with bids which are necessary to determine their quality and conformance with specifications, where the cost may be covered by the District, or the District may order the cost be covered by the bidder;

(h) Recommend the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment that cannot be used by the District;

(i) Maintain bidders list, contractors list, local business preference list, current vendor list, and other related records required to perform the duties of the purchasing function.

Section 1.05 Purchase Orders

Standardized purchase orders and contracts for supplies, equipment, maintenance services, and public projects are to be submitted to the purchasing agent prior to procurement.

Section 1.06 Encumbrance of Funds

The purchasing agent is only authorized to procure supplies, equipment, and contracts for maintenance or public project services for which there is an unencumbered appropriation available to be charged.

Section 1.07 Staging of Purchases

Staging purchases and contracts into smaller units for the purposes of evading competitive bidding procedures in this directive is explicitly prohibited.

Section 1.08 Exemptions

The purchasing procedures detailed in this policy do not include the following:

(a) Travel expenses
(b) Subscriptions
(c) Advertisement of government-mandated notices
(d) Reimbursement expenses
(e) Payroll and personnel-related expenses
(f) Insurance claims
(g) Conference fees
(h) Banking services
(i) Postage, courier, and delivery service charges
(j) Dues to approved organizations
(k) Payments to other government agencies

(l) Land
(m) Debt Service
(n) Claims settlements
(o) Grants

ARTICLE II. PURCHASING AND CONTRACTING FOR SUPPLIES AND EQUIPMENT

Section 2.01 Purchasing Procedures for Supplies and Equipment

Purchasing procedures for supplies and equipment authorize the purchasing agent to acquire such items within their authorized purchasing threshold, as defined in Section 1.03.

Section 2.02 Purchase Requisition Procedures

Purchase requisitions for the purchase of supplies and equipment are subject to the dollar limits provided below:

(a) For purchases less than $2,500, no quotes or solicitation is required. For those purchases less than $2,500, no purchase order is required.
(b) Purchase orders are required for all purchases over Two Thousand Five Hundred Dollars ($2,500).
(c) Purchases between Two Thousand Five Hundred and One Dollars ($2,501) and Five Thousand Dollars ($5,000) do not require solicitation of quotes.
(d) For purchases greater than Five Thousand Dollars ($5,000) and up to Seventy Five Thousand Dollars ($75,000.00) every effort to procure three (3) quotes will be attempted. If less than three quotes are received a staff-level recommendation can be made utilizing the quotes submitted.
(e) Purchases greater than Seventy-Five Thousand Dollars ($75,000) require formal bidding and must be authorized by the Board.
(f) Table 2.02(h) provides procurement limits and procedures for supplies and equipment.

Table 2.02(h) – CONTRACTING AND PURCHASING PROCEDURES FOR SUPPLIES AND EQUIPMENT

Procurement Limits	Purchase Order	Bidding Procedures
<$2,500	No purchase order required.	No quotes required.
$2,501 - $5,000	Purchase order required. See Authorization Table	No quotes required.
$5,001 - $75,000	Purchase order required. See Authorization Table	Attempt three (3) quotes required.
>$75,001	Purchase order required. Board Authorization Required	Formal Bidding Required

NOTE: This table serves to summarize the provisions of Section 2.02. If this table conflicts with the language of Section 2.02, the latter shall control.

Section 2.03 Types of Purchase Orders

There are two (2) types of purchase orders. The purchasing agent may issue blanket purchase orders and individual purchase order requisitions. Procedures for each are provided below.

(a) *Blanket Purchase Orders.* Blanket purchase orders are issued by the purchasing agent for the purchase of supplies and equipment from the vendor for which there will

be multiple orders or for ongoing monthly purchases. A blanket purchase order is issued to cover all amounts anticipated to be paid to the supplier for the fiscal year or contract term and typically expires at the end of the fiscal year or contract term. Blanket purchase orders are subject to the thresholds of the purchasing agents, as defined in Section 1.03. Once the dollar limit of the blanket purchase order has been met all subsequent purchases must revert to the use of individual purchase order requisitions.

(b) *Purchase Order Requisitions.* Individual purchase order requisitions are to be submitted to the purchasing agent, as described in Section 1.05, for the purchase of supplies, equipment, and materials from vendors without blanket purchase orders, or from vendors with blanket purchase orders for which the dollar limit has been met.

Section 2.04 Formal Bidding Procedures

The following provisions shall apply in contracting for supplies and equipment:

(a) *Notices Inviting Bids.* Notices inviting bids shall be prepared describing the bid items in general terms; referencing how to obtain more detailed information about the bid items; stating that the conditions and schedule may be found in the office of the District Clerk; mentioning that the supplies and equipment are to be delivered at such times, in such quantities, and in such a manner as the Board may designate; and stating the time, date, and place for the submission of sealed bids.

(i) *Sending, Mailing, and Publishing of Notices.* Notices inviting formal bids shall be published, sent, and mailed as follows:

1) Published at least once in a newspaper of general circulation, printed and published in the District, at least Fourteen (14) calendar days before the date of the bid opening; and

2) Other mailings, advertisements, and notifications deemed appropriate by the General Manager.

(b) *Material Changes to the Bid.* If a material change to the bid specification is issued by the District later than Seventy-Two (72) hours prior to the opening of bids, the date and time shall be extended by no less than Seventy-Two (72) hours. The term "material change" means a change with a substantial cost impact on the total bid as determined by the District.

(c) *Base Contract.* Bid specifications which include one or more alternative bid schedules shall identify and define the base bid for the purpose of awarding to the lowest responsive and responsible bidder.

(d) *Bid Opening Procedure.* Sealed bids shall be submitted to the Purchasing Agent and shall be identified as bids on the envelope. Such bids shall be opened in public at the time and place stated in the notice inviting bids, in the presence of all bidders who attend. A tabulation of all bids received shall be open for public inspection during regular business hours until the award of the contract.

(e) *Records of Bid Documents.* Bid documents received by the District shall be maintained by the District department issuing the bid in accordance with the District's records retention schedule.

(f) *Award of Contracts.* Contracts shall be awarded by the District to the responsible bidder that submits the lowest bid.

(g) *No Bids Received.* In the event no bids are received, the District shall have the option of any of the following:
  (i) Abandon the purchase; or
  (ii) Rebid the purchase.

(h) *Rejection of Bids*. The District may elect to reject all bids. In the event all bids are rejected, the District shall have the option of any of the following:
  (i) Abandon the purchase or service; or
  (ii) Rebid the purchase.

(j) *Tie Bids*. If Two (2) or more bids are received from responsive and responsible bidders for the same total amount or unit price and are the lowest, the District may accept the bid it chooses.

(k) *Written Contracts*. Written contracts in the form approved by the District Legal Counsel shall be used in the award of bids.

(l) *Emergencies*. In case of an emergency, the Board shall respond to the emergency pursuant to Section 4.02 of this policy

(m) *Exceptions*. A separate formal bidding process is not required when purchases are made through a cooperative purchasing agreement or "piggybacking" with another public agency whose procurement process is substantially consistent with the provisions of this article.

Section 2.05 Local Business Preference

The District recognizes that local businesses make significant contributions to the economic health of the District. The District supports local business opportunities, which encourage businesses to move into and stay within the District, promote economic development, and maintain a strong local economic base, which in turn fosters economic growth in the District. Therefore, the Board has determined it is in the District's best interest to establish and provide a preference for local businesses.

(a) *Competitive Bid Process*. The General Manager is authorized to extend a preference to a responsible and responsive local business in a competitive bid for the procurement of supplies, equipment, and materials not to exceed Five Percent (5%) of the local business's total bid price, or Two Thousand Five Hundred Dollars ($2,500.00), whichever is lower, for the purpose of determining the lowest bid.

(b) *Local Preference*. When a non-local business has submitted the lowest responsive and responsible bid, and when one or more local businesses have also bid, the local business's total bid amount will be reduced by Five Percent (5%) for bid comparison purposes. If the net amount is lower than the lowest bid, the bid will be awarded to the local business for the full amount of its bid.

(c) *Local Business*. For purposes of this policy, "local business" means a vendor or contractor that has an office with at least one employee physically located within the District.
Exemptions. The local business preference does not apply to contracts funded by grants which prohibit the use of preferences.

(d) The District encourages participation by all qualified businesses, including small businesses, disadvantaged businesses, veteran-owned businesses, women-owned businesses, minority-owned businesses, and local businesses, through outreach and education efforts.

ARTICLE III. [DELETED]

ARTICLE IV. PURCHASING AND CONTRACTING FOR PUBLIC PROJECTS

Purchases and contracts for public projects are subject to the Public Contract Code and Uniform Public Construction Cost Accounting Act and shall adhere to the following competitive bidding procedures in the following sections of this article. The estimated value of purchases and contracts shall not include sales tax or freight. It is unlawful to split or separate into smaller work orders or projects for the purpose of evading the purchasing and contracting limits set forth in this section.

Section 4.01 Purchasing and Contracting Procedures for Public Projects

(a) *Open Market Bidding Procedures*. Purchases and contracts of an estimated value in the amount of Seventy-Five Thousand Dollars ($75,000.00) or less may be made by force account, negotiated contract, or by purchase order pursuant to the provisions of Section 4.04 of this article, except as otherwise provided in this section, or the amount listed in the most recent Public Contract Code Section.22032.

(b) *Informal Bidding Procedures*. Purchases and contracts of an estimated value in the amount of Two Hundred Twenty Thousand Dollars ($220,000.00) or less may be made by informal bidding procedures pursuant to the provisions of Sections 4.05 and 4.06 of this policy, except as otherwise provided in this section, or the amount listed in the most recent Public Contract Code Section 22032.

(c) *Formal Bidding Procedures*. Purchases and contracts of an estimated value in an amount greater than Two Hundred Twenty Thousand Dollars ($220,000.00) shall be made by formal bidding procedures pursuant to the provisions of Sections 4.05 and 4.07 of this policy, except as otherwise provided in this section.

(d) *Exceptions*. The bidding procedures and force account restrictions set forth in this article shall be dispensed with when bidding would be impossible, impractical, or incongruent; in an emergency; when the price is controlled by law; when the commodity, maintenance service, or project can only be provided or performed by one vendor. For the purposes of this section:

(i) "Impossible" shall mean actual impossibility or extreme and unreasonable difficulty or expense.

(ii) "Impractical" shall mean incapable of being performed by the bid procedure.

(iii) "Incongruous" shall mean not suitable to the bid procedure.

(e) *Cooperative Agreements*. No provision of this article shall be interpreted or construed to prohibit or prevent the District from purchasing or contracting for supplies, equipment, maintenance services, or public projects by contracts, arrangements, and agreements for cooperative purchasing programs not otherwise prohibited by law with any federal government agency, the state, the county, any other public agencies, or with any cooperative purchasing alliance acting on behalf of governmental entities. Any such contract, agreement, or arrangement otherwise subject to open market or informal bidding procedures shall be first approved by the Purchasing Agent and if subject to formal bidding procedures shall be first approved by the Board, or by the General Manager, if the funding for the purchase has already been approved by the Board through the budget process. At the discretion of the appropriate approving

authority, the bidding procedures of any agency may be used in such joint contracting arrangements.

(f) *A Requisition Report* shall be added to the monthly financial reports to inform the Board of procured items of over $2,500 that do not require Board authorization; for example, this would include computers, tools, and hardware (non-consumable goods).

(g) The following procedures shall be followed for the issuance *of Request for Bids (RFB's)*:

(i) RFB's shall be posted on the District website in a listing of current and past RFB's;

(ii) the Board shall be notified of the date when RFB's are released;

(iii) the Board's agenda packet that includes the awarding of a contract or agreement for the Board's approval shall contain the RFB documents and information about all bidders and will be provided to the Board with a minimum of four (4) days for review.

(h) All contracts cannot exceed more than ten percent (10%) of their original allocated amount. If a contract amount exceeds the $45,000 of the General Manager's signing authority, it requires Board authorization.

Section 4.02 Emergencies

(a) *Generally*. In cases of emergency, the Board shall follow the procedures in Public Contract Code Sections 22035 and 22050.

(b) *Authority to Act*. In cases of emergency, the Board, by a Four-Fifths (4/5ths) vote, may direct the General Manager to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts.

(c) *Work by Day Labor or Contract*. The work may be done by day labor under the direction of the Board, by contract, or by a combination of the two.

(d) *Review of Board Actions*. Where the Board orders any action as permitted by Public Contract Code section 22050, the Board shall review the emergency action every Fourteen (14) days thereafter until the action is terminated, to determine, by a Four-fifths (4/5) vote, that there is a need to continue the action.

(e) *Review of General Manager Actions*. Where the General Manager orders any action as permitted by Public Contract Code section 22050, the Board shall initially review the emergency action at the next regularly scheduled meeting of the Board, not to occur later than fourteen (14) days after the action. The Board shall review the emergency action every Fourteen (14) days thereafter until the action is terminated, to determine, by a Four-Fifths (4/5) vote, that there is a need to continue the action unless the General Manager has terminated that action prior to the Board reviewing the emergency action and making a determination pursuant to this subdivision.

(f) *Termination of Emergency Action*. When the Board reviews the 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 for bids to let contracts.

(g) All regulations not met during the emergency action by the district shall come into compliance within the required amount of time.

Section 4.03 Authorized Signature

(a) *Board President*. The President shall be authorized to sign on behalf of the District all

approved contracts provided for in this article. In the absence of the President, the Vice President shall be so authorized.

(b) *General Manager.* The General Manager shall be authorized to sign on behalf of the District all contracts provided for in Section 4.06 of this article and such other approved contracts as the Board may specifically direct from time to time.

Section 4.04 Open Market Bidding Procedures

Except as otherwise provided in subsections (d) and (e) of Section 4.01 of this policy, the solicitation of bids and award of contracts for public projects with an estimated value in the amount of Seventy Five Thousand Dollars ($75,000) or less may be made by the Purchasing Agent by force account, negotiated contract, or by purchase order. Whenever possible, bids shall be obtained in the open market in accordance with the following procedures:

(a) *Minimum number of bids.* Open market purchases, whenever possible, shall be based on at least three (3) bids and shall be awarded to the lowest responsive and responsible bidder.

(b) *Notices inviting bids.* The Purchasing Agent shall solicit bids from prospective vendors by written requests, by telephone, by facsimile or electronic mail, or by other advertising.

(c) *Written records of bids.* Written records of bids received shall be maintained by the Purchasing Agent in accordance with the District's records retention schedule. Such records, while so kept, shall be open to public inspection and shall include the business name, address, and telephone number of the vendor; vendor representative; description of the bid items, including unit quantities if applicable, unit prices or lump sum amount quoted by the vendor; and the date the bid was received.

Section 4.05 General Provisions for Informal and Formal Bidding Procedures

The following provisions shall apply in contracting for public projects under both informal and formal bidding procedures:

(a) *Material Changes to the Bid.* If a material change to the bid specification is issued by the District later than Seventy-Two (72) hours prior to the opening of bids, the date and time shall be extended by no less than seventy-two (72) hours. The term "material change" means a change with a substantial cost impact on the total bid as determined by the District.

(b) *Base Contract.* Bid specifications which include one or more alternative bid schedules shall identify and define the base bid for the purpose of awarding to the lowest responsive and responsible bidder.

(c) *Bid opening procedure.* Sealed bids shall be submitted to the Purchasing Agent and shall be identified as bids on the envelope. Such bids shall be opened in public at the time and place stated in the notice inviting bids in the presence of all bidders who attend. A tabulation of all bids received shall be open for public inspection during regular business hours until award of the contract.

(d) *Records of bid documents.* Bid documents received by the District shall be maintained by the District department issuing the bid in accordance with the District's records retention schedule.

(e) *Award of contracts.* Contracts shall be awarded by the District to the responsive and responsible bidder that submits the lowest bid.

(f) *No bids received.* In the event no bids are received, the District shall have the option of any of the following:

(i) Abandoning the purchase or project;

(ii) Rebidding the purchase or project; or

(iii) Perform the work by employees of the District.

(g) *Rejection of bids.* The District may elect to reject all bids. In the event the District anticipates rejecting all bids, the District shall provide a written notice to an apparent low bidder, pursuant to Public Contract Code section 22038.
Furthermore, the District shall have the option of any of the following:

(i) Abandon the project;

(ii) Rebid the purchase or project using the appropriate bidding procedures; or

(iii) Perform the project by force account without further complying with Public Contract Code section 22020 et seq., after the Board passes a resolution by

(iv) a four-fifths (4/5th) vote of its governing body declaring that the project can be performed more economically by District employees.

(h) *Tie bids.* If Two (2) or more bids are received from responsive and responsible bidders for the same total amount or unit price and are the lowest, the District may accept the bid it chooses.

(i) *Written contracts.* Written contracts in the form approved by the District Legal Counsel shall be used in the award of bids.

(j) *Bidders' security.* Security will be required in an amount equal to Ten Percent (10%) of the bid quotation as described in the Public Contract Code. Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the district beyond sixty (60) days from the time the award is made.

(k) *Bonds.* Bidders for construction contracts shall give bonds for the faithful performance of the construction contract.

Section 4.06 Informal Bidding Procedures

Except as otherwise provided in subsections (a), (d), and (e) of Section 4.01 and in Section 4.02 of this article, the solicitation of bids may be authorized by the Purchasing Agent and the award of contracts for public projects up to an estimated value in the amount of Two Hundred Twenty Thousand Dollars ($220,000.00) or the amount listed in the most recent Public Contract Code Section 22032, may be made by the General Manager in accordance with the requirements of the Public Contract Code section 22032, et seq., and the following informal bidding procedures:

(a) *Budgetary Authorization.* The bid items shall have been authorized as a part of an approved budget of the District, and the purchase or contract shall not exceed the amount so authorized.

(b) *Contractor's List.* A list of contractors shall be developed and maintained in accordance with the provisions of section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission.

(c) *Notices Inviting Bids*. Notices inviting bids shall be prepared describing the bid items in general terms; referencing how to obtain more detailed information about the bid items; and stating the time, date, and place for the submission of sealed bids.

(d) *Mailing of Notices*. Notices inviting informal bids shall be mailed at least ten (10) calendar days before the due date of the submission of bids as follows:

(i) Mailed to all firms on the bidders list or contractors list for the category of work being bid;

(ii) For bid items defined as public projects, mailed to all construction trade journals designated by the California Uniform Construction Cost Accounting Commission; and

(iii) Other mailings, advertisements, and notifications as deemed appropriate by the purchasing agent.

(e) *Bids Received in Excess of Two Hundred Twenty Thousand Dollars ($220,000.00)*. If all bids received are in excess of Two Hundred Thousand Dollars ($220,000.00), the Board may award the contract to the lowest responsive and responsible bidder by the adoption of a resolution by a Four-Fifths (4/5ths) vote if the Purchasing Agent determines the cost estimate was reasonable and the low bid does not exceed Two Hundred Thirty Five Thousand Dollars ($235,000.00).

Section 4.07 Formal Bidding Procedures

Except as provided in subsections (d) and (e) of Section 4.01 of this article, the solicitation of bids and award of contracts for public projects with an estimated value in excess of Two Hundred Twenty Thousand Dollars ($220,000.00) or the amount listed in the most recent Public Contract Code Section 22032 shall be made in accordance with the requirements of the Public Contract Code section 22031 et seq., and the following formal bidding procedures:

(a) *Plans and Specifications*. The Board shall adopt any plans, specifications, and working details as appropriate for the bid items prior to a solicitation for formal bids. Any person may examine the plans, specifications, or working details, or all of these, adopted by the District for any project.

(b) *Notices*. Notices inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least Fourteen (14) calendar days prior to the opening of bids in a newspaper of general circulation, printed and published in the jurisdiction of the District; or if there is no newspaper that is circulated within the jurisdiction for the District, publication shall be by posting the notice in at least three places within the jurisdiction of the District as have been designated by ordinance or regulation of the District as places for the postings.

(c) *Sending, mailing, and publishing of notices*. Notices inviting formal bids shall be published, sent, and mailed as follows:

(i) For bid items defined as public projects, sent electronically, by either facsimile or electronic mail and mailed to all construction trade journals designated by the California Uniform Construction Cost Accounting Commission at least Fifteen (15) calendar days before the date of the bid opening;

(ii) Sent electronically, by facsimile or electronic mail, or mailed to all firms on the bidders list at least Fifteen (15) calendar days before the date of the bid opening;

(iii) Published at least once in a newspaper of general circulation, printed and published in the District, at least Fourteen (14) calendar days before the date of the bid opening, or in a manner as authorized by Public Contract Code section 22037 if there is no newspaper of general circulation; and

(iv) Other mailings, advertisements, and notifications deemed appropriate by the department head of the requesting agency.

(d) The following procedures shall be followed for *Request for Bids (RFB's)*:

(i) RFB's shall be posted on the District website to the listing of current and past RFB's;

(ii) the Board shall be notified of the date when RFB's are released;

(iii) the Board's agenda packet that includes the awarding of a contract or agreement for Board approval shall contain the RFB documents and information about all bidders and shall be provided to the Board with a minimum of four (4) days for review.

Section 4.08 Local Business Preference

The District recognizes that local businesses make significant contributions to the economic health of the District. The District supports local business opportunities, which encourage businesses to move into and stay within the District, promote economic development and maintain a strong local economic base, which in turn foster economic growth in the District. Therefore, the Board has determined it is in the District's best interest to establish and provide a preference for local businesses.

(a) *Competitive bid process*. The General Manager is authorized to extend a preference to a responsible and responsive local business in a competitive bid for a public project not to exceed five percent (5%) of the local business's total bid price, or Two Thousand Five Hundred Dollars ($2,500.00), whichever is lower, for the purpose of determining the lowest bid.

(b) *Local preference.* When a non-local business has submitted the lowest responsive and responsible bid, and when one or more local businesses have also bid, the local business's total bid amount will be reduced by five percent (5%) for bid comparison purposes. If the net amount is lower than the lowest bid, the bid will be awarded to the local business for the full amount of its bid.

(c) *Local business*. For purposes of this chapter, "local business" means a vendor or contractor that has an office with at least one (1) employee physically located within the District.

(d) The District encourages participation by all qualified businesses, including small businesses, disadvantaged businesses, veteran-owned businesses, women-owned businesses, minority-owned businesses, and local businesses, through outreach and education efforts.

(e) *Exemptions*. The local, women, and minority-owned business preferences do not apply to the following:

(i) Contracts funded by grants which prohibit the use of preferences, and

(ii) Contracts for services.

ARTICLE V. CONTRACTS FOR PROFESSIONAL AND CONSULTING SERVICES

Section 5.01 Contracting Procedures

Contracts for consultant/professional services shall be made pursuant to the provisions of this policy.

Section 5.02 Architectural, Landscape Architectural, Professional Engineering, Environmental, Land Surveying, and Construction Management Services

(a) Procurements for architectural, landscape architectural, professional engineering, environmental, land surveying, and construction management services contracts shall comply with this section and Section 5.03.

Selection. Contracts for architectural, landscape architectural, engineering, environmental, land surveying, and construction management services are subject to the provisions of this article and shall be awarded in accordance with California Government Code section 4525 et seq. Selection process will be designed to select the most qualified firm to provide the desired services at a reasonable price. Selection will not be solely based on price; however, price may be a factor in selecting a firm. If the price will be a factor, it will be discussed in the RFP, along with the method used to consider price.

(b) *Maximum Participation of Small Business Firms.*

(i) Definition of Small Business. "Small business," as used in this section, shall have the same definition in Government Code section 14837(d)(1).

(ii) Quotes. The District shall attempt to obtain at least two (2) quotes or proposals from a small business, where this article requires quotes or RFPs under Section 5.03.

(c) *Prohibition of Unlawful Activity.* The District specifically prohibits practices that might result in unlawful activity, including but not limited to rebates, kickbacks, or other unlawful considerations. The District also prohibits its employees from participating in the selection process when those employees have a financial interest with an individual or business entity seeking a contract under this Section and would be subject to the prohibition of Government Code section 87100.

Section 5.03 Procurement

(a) Procurement of Professional and Consultant Services: $45,000.00 or Less.

(i) *Informal Request for Proposal Procedure (RFP).* Except as set forth herein, the procurement of consultant or professional services with a value of Forty-Five Thousand Dollars ($45,000.00) or less shall be made following the procedure prescribed below:

(1) *Solicitation of Proposals.* The General Manager may solicit proposals by written (including e-mail) or verbal request to prospective consultants. Informal requests for proposals shall attempt, whenever feasible, to obtain at least three (3) proposals.

(2) *Award of Contracts.* The General Manager shall award contracts pursuant to this subdivision to the best qualified and most responsible proposer, which may not necessarily be the lowest priced proposal. The dollar amount of the proposal shall be considered but the award need not be made to the lowest dollar proposal.

(3) *Signature Authority*. The General Manager shall have the authority to execute a contract granted pursuant to this section. Such contracts shall be formal written agreements executed by the General Manager on behalf of the District.

(ii) *Exceptions.* The General Manager may dispense with the informal RFP procedure, whether the informal RFP procedure has been initiated or not, for the reasons set forth below:

(1) In an emergency;

(2) When the services can be obtained from only one (1) source which has been reviewed and approved in writing by the General Manager;

(3) When, in the judgment of the General Manager, compliance with the procedure is not in the best interest of the District; or

(4) When processed through a cooperative purchasing agreement with another public agency, whose procurement process is substantially consistent with the provisions of this article.

(b) *Procurement of Professional and Consultant Services: More than $45,000.00.*

(i) *Formal Request for Proposal Procedure*. Except as set forth herein, the procurement of consultant or professional services with a value of more than Forty-Five Thousand Dollars ($45,000.00) shall be made following the procedure prescribed below:

(1) *Solicitation of Proposals*. The General Manager shall solicit proposals by written (including e-mail) or verbal request to prospective consultants.

(2) Informal requests for proposals shall, whenever feasible, be based on at least three (3) proposals.

(3) *Award of Contracts*. The Board shall award contracts pursuant to this subsection to the best qualified and most responsible proposer, which may not necessarily be the lowest-priced proposal. The dollar amount of the proposal shall be considered but the award need not be made to the lowest dollar proposal.

(4) *Signature Authority*. The Board President, or General Manager with the Board's approval, shall have the authority to execute a contract granted pursuant to this section. Such contracts shall be formal written agreements executed by the Board President, or General Manager on behalf of the District.

(ii) *Exceptions*. The Board may dispense with the informal RFP procedure, whether the informal RFP procedure has been initiated or not, for the reasons set forth above under subdivision (a)(ii).

(iii) The following procedures shall be followed for *Request for Proposals (RFP's)*:

a. RFP's shall be posted on the District website in a listing of current and past RFP's;

b. the Board shall be notified of the date when RFP's are released;

c. the Board's agenda packet that includes the awarding of a professional services agreement shall contain the RFP documents and information about all proposers and shall be provided to the Board with a minimum of four (4) days for review.

ARTICLE VI. PURCHASING AND CONTRACTING FOR FEDERAL AND STATE GRANTS

Section 6.01 State and Federal Requirements

The District will follow all guidance and purchasing regulations as laid out within the specific grant program. Additionally, all environmental regulations shall be followed pursuant to the grant guidelines.

Certification

I hereby certify that the foregoing is a full, true and correct copy of Policy 2135 amended by the Board of Directors of the Georgetown Divide Public Utility District on the 3rd day of August by Resolution 2026-25.

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Nicholas Schneider, Clerk and Ex-Officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT