



ITEM NO. 10

FINANCIAL MANAGEMENT COMMITTEE AGENDA

Monday, October 16, 2023

9:00 A.M.

East Bay Dischargers Authority, 2651 Grant Avenue, San Lorenzo, CA

Committee Members: Simon (Chair); Andrews

FM1. Call to Order

FM2. Roll Call

FM3. Public Forum

FM4. Disbursements for September 2023
(The Committee will review the Lists of Disbursements.)

FM5. Preliminary Treasurer's Report for September 2023
(The Committee will review the Treasurer's Report.)

FM6. Year-End Closing Statements for FY 2022/2023
(The Committee will review the FY 2022/2023 closing statements.)

FM7. Motion to Approve Updates to the Authority's Purchasing Policy
(The Committee will consider the motion.)

FM8. Adjournment

Any member of the public may address the Committee at the commencement of the meeting on any matter within the jurisdiction of the Committee. This should not relate to any item on the agenda. Each person addressing the Committee should limit their presentation to three minutes. Non-English speakers using a translator will have a time limit of six minutes. Any member of the public desiring to provide comments to the Committee on any agenda item should do so at the time the item is considered. Oral comments should be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available and are to be completed prior to speaking.

In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in an Authority meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Juanita Villasenor at juanita@ebda.org or (510) 278-5910. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the Authority staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Agenda Explanation
East Bay Dischargers Authority
Financial Management Committee
October 16, 2023

In compliance with SB 343, related writings of open session items are available for public inspection at East Bay Dischargers Authority, 2651 Grant Avenue, San Lorenzo, CA 94580. For your convenience, agenda items are also posted on the East Bay Dischargers Authority website located at <http://www.ebda.org>.

**Next Scheduled Financial Management Committee is
Monday, November 13, 2023 at 9:00 a.m.**

EAST BAY DISCHARGERS AUTHORITY

List of Disbursements

September 2023

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
26217	09/15/2023	10147075	BACWA	MEMBERSHIP AND SPECIAL PROGRAMS FEE	437,702.00	437,702.00
26235	09/29/2023	351553	CITY OF HAYWARD	O&M - QUARTERLY APR-JUN	36,659.35	36,659.35
26242	09/29/2023	51487479	UNIVAR	SODIUM BISULFITE - DELIVERED 09/18/2023	9,899.54	19,168.78
26242	09/29/2023	51449738	UNIVAR	SODIUM BISULFITE - DELIVERED 09/05/2023	9,269.24	
26226	09/15/2023	FM 1A	NATE KAUFFMAN	FIRST MILE PROJECT	8,500.00	8,500.00
26243	09/29/2023	11494540	BROWN & CALDWELL	ENGINEERING SERVICES - BRINE ASSESSMENT	7,680.87	7,680.87
26223	09/15/2023	188372	ENVIRONMENTAL SCIENCE ASSOCIATES	FIRST MILE PROJECT WORK ORDER NO. 3	5,977.75	5,977.75
26227	09/15/2023	19239	PACIFIC ECORISK	NPDES TOXICITY TESTING	5,523.00	5,523.00
26232	09/15/2023	4246-0445-5568-7627	US BANK	PURCHASING CARD EXPENSES	5,436.64	5,436.64
26225	09/15/2023	208229	MEYERS NAVE	LEGAL SERVICES - JUL	3,754.64	5,313.74
26225	09/15/2023	208230	MEYERS NAVE	LEGAL SERVICES - BRINE PROJECT	1,559.10	
26245	09/29/2023	045	CURRIE ENGINEERS, INC	PROJECT / CONSTRUCTION MANAGER SERVICES - WORK ORDER NO. 1	2,970.00	3,731.25
26245	09/29/2023	044	CURRIE ENGINEERS, INC	PROJECT / CONSTRUCTION MANAGER SERVICES - WORK ORDER NO. 2	398.75	
26245	09/29/2023	046	CURRIE ENGINEERS, INC	PROJECT / CONSTRUCTION MANAGER SERVICES - WORK ORDER NO. 2	362.50	
26236	09/29/2023	52205702	CITY OF HAYWARD	BENEFIT PREMIUMS - AUG	1,370.05	2,740.10
26236	09/29/2023	52205703	CITY OF HAYWARD	BENEFIT PREMIUMS - SEP	1,370.05	
26240	09/29/2023	IN0348738	ALAMEDA COUNTY ENVIRONMENTAL HEALTH	OLEPS CUPA FEE	2,463.00	2,463.00
26219	09/15/2023	712003	CALTEST	LAB TESTING SERVICES	2,304.90	2,304.90
26224	09/15/2023	23698277	JOHNSON CONTROLS	FIRE ALARM SERVICE, TESTING, & MONITORING	2,034.50	2,034.50
26246	09/29/2023	28367	FOSTER & FOSTER	ACTUARIAL SERVICES FOR GASB 68 REPORTING	1,600.00	1,600.00
26222	09/15/2023	735377	CORRPRO COMPANIES, INC	FORCE MAIN BI-ANNUAL CATHODIC PROTECTION SYSTEM SURVEY	1,350.00	1,350.00
26239	09/29/2023	54692	CALCON	OPS CENTER: SCADA SERVICE CALL	1,315.00	1,315.00
26220	09/15/2023	8409	CAYUGA INFORMATION SYSTEMS	IT SERVICES	1,260.00	1,260.00
26234	09/15/2023	SI243659	WATSON MARLOW, INC	OLEPS & MDF CHEMICAL PUMP PARTS	1,147.46	1,147.46
26230	09/15/2023	1001649285	STATE COMPENSATION INSURANCE FUND	WORKERS COMPENSATION	878.00	878.00
26231	09/15/2023	924	STRATEGY DRIVER	STRATEGIC PLANNING FACILITATOR	725.00	725.00
26218	09/15/2023	T158572	BAY AREA AIR QUALITY MGMT DISTRICT	PERMIT TO OPERATE MDF	554.00	554.00
26241	09/29/2023	S2163570.001	WILLE ELECTRIC SUPPLY CO, INC	ELECTRICAL PARTS	278.49	278.49
26238	09/29/2023	5104830439	AT&T	TELEPHONE SERVICE - MDF	232.05	232.05
26229	09/15/2023	CD_000651489	RINGCENTRAL INC	DIGITAL PHONE SERVICE	210.56	210.56
26244	09/29/2023	3878842	CALTRONICS	COPIER USAGE AND MAINTENANCE	164.96	164.96
26228	09/15/2023	3106255800	PITNEY BOWES INC	QUARTERLY LEASING CHARGE FOR DIGITAL MAILING SYSTEM	150.55	150.55
26221	09/15/2023	54103	COMPUTER COURAGE	WEBSITE HOSTING - SEP	150.00	150.00
26233	09/15/2023	9943330259	VERIZON WIRELESS	WIRELESS PHONE SERVICES	102.99	102.99

EAST BAY DISCHARGERS AUTHORITY

List of Disbursements

September 2023

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
26237	09/29/2023	44777800001	EBMUD	WATER - ADMIN	93.48	93.48
				TOTAL CHECK PAYMENTS	555,448.42	555,448.42
				ELECTRONIC PAYMENTS		
	09/05/2023	5105948980-0	PG&E	GAS & ELECTRIC SERVICE	41,662.22	41,662.22
	09/06/2023	100000017257337	CALPERS	HEALTH PREMIUMS - SEP	7,630.03	7,630.03
	09/01/2023	100000017266611	CALPERS	PENSION CONTRIBUTION, CLASSIC 08/16 - 31/2023	5,697.08	5,697.08
	09/18/2023	100000017230491	CALPERS	PENSION CONTRIBUTION, CLASSIC 09/01 - 15/2023	5,697.08	5,697.08
	09/05/2023	6529147	MISSION SQUARE	DEFERRED COMPENSATION 08/31/2023	2,134.48	2,134.48
	09/19/2023	6767337	MISSION SQUARE	DEFERRED COMPENSATION 09/15/2023	2,134.48	2,134.48
	09/07/2023	2309403451	INTERMEDIA.NET	EMAIL EXCHANGE HOSTING SERVICE	99.40	99.40
				TOTAL ELECTRONIC PAYMENTS	65,054.77	65,054.77
				PAYROLL		
	09/14/2023		ADP, LLC	PAYROLL PERIOD: 09/16-30/2023	25,731.36	25,731.36
	09/28/2023		ADP, LLC	PAYROLL PERIOD: 09/01-15/2023	23,153.34	23,153.34
	09/08/2023	641410839	ADP, LLC	PAYROLL FEES, 08/16-31/2023	77.86	77.86
	09/22/2023	642425127	ADP, LLC	PAYROLL FEES, 09/01-15/2023	77.86	77.86
				TOTAL PAYROLL	49,040.42	49,040.42
				TOTAL DISBURSEMENTS	669,543.61	669,543.61

ITEM NO. FM5 PRELIMINARY TREASURER'S REPORT FOR SEPTEMBER 2023

The cash balance as of September 30, 2023 is \$4,702,644.67. EBDA's LAIF balance is \$2,341,823.30, and the average monthly effective yield for September is 3.534%. EBDA's CAMP balance is \$1,512,085.01, and CAMP's 7-day yield is 5.55%.

Approval is recommended.

**EAST BAY DISCHARGERS AUTHORITY
PRELIMINARY
TREASURER'S REPORT
September 30, 2023**

FUND	DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	1,392,708.75	1,403.00	400,483.96	993,627.79
13	PLANNING & SPECIAL STUDIES	832,072.49	47,407.69	255,345.75	624,134.43
14	RECLAMATION O & M (SKYWEST)	64,882.55	9,000.00	-	73,882.55
15	BRINE ACCEPTANCE	(63,374.55)	45,389.88	9,239.97	(27,224.64)
31	RENEWAL & REPLACEMENT	3,035,834.62	-	4,473.93	3,031,360.69
TOTALS		5,262,123.86	103,200.57	669,543.61	4,695,780.82

Sep-23

10/11/2023

SUPPLEMENTAL TREASURER'S REPORT

DATE	TRANSACTION	RECEIPT	DISBURSEMENT CHECKING	DISBURSEMENT PAYROLL	PAYROLL TRANSFER	LAIF TRANSFER	CAMP TRANSFER	WELLS FARGO CHECKING BALANCE	WELLS FARGO PAYROLL BALANCE	LAIF BALANCE	CAMP BALANCE	TOTAL CASH
08/31/23	BALANCE							1,388,830.40	26,249.00	2,341,823.30	1,505,221.16	5,262,123.86
09/01/23	ELECTRONIC BILL PAY		5,697.08					1,383,133.32	26,249.00	2,341,823.30	1,505,221.16	5,256,426.78
09/05/23	ELECTRONIC BILL PAY		41,662.22					1,341,471.10	26,249.00	2,341,823.30	1,505,221.16	5,214,764.56
09/05/23	ELECTRONIC BILL PAY		2,134.48					1,339,336.62	26,249.00	2,341,823.30	1,505,221.16	5,212,630.08
09/05/23	PAYROLL TRANSFER				50,000.00			1,289,336.62	76,249.00	2,341,823.30	1,505,221.16	5,212,630.08
09/06/23	ELECTRONIC BILL PAY		7,630.03					1,281,706.59	76,249.00	2,341,823.30	1,505,221.16	5,205,000.05
09/07/23	ELECTRONIC BILL PAY		99.40					1,281,607.19	76,249.00	2,341,823.30	1,505,221.16	5,204,900.65
09/07/23	DEPOSIT	1,403.00						1,283,010.19	76,249.00	2,341,823.30	1,505,221.16	5,206,303.65
09/08/23	PAYROLL FEES			77.86				1,283,010.19	76,171.14	2,341,823.30	1,505,221.16	5,206,225.79
09/14/23	PAYROLL			23,153.34				1,283,010.19	53,017.80	2,341,823.30	1,505,221.16	5,183,072.45
09/15/23	DEPOSIT - ABAG	47,407.69						1,330,417.88	53,017.80	2,341,823.30	1,505,221.16	5,230,480.14
09/15/23	DISBURSEMENT		479,321.09					851,096.79	53,017.80	2,341,823.30	1,505,221.16	4,751,159.05
09/18/23	ELECTRONIC BILL PAY		5,697.08					845,399.71	53,017.80	2,341,823.30	1,505,221.16	4,745,461.97
09/18/23	DEPOSIT - COH	9,000.00						854,399.71	53,017.80	2,341,823.30	1,505,221.16	4,754,461.97
09/19/23	ELECTRONIC BILL PAY		2,134.48					852,265.23	53,017.80	2,341,823.30	1,505,221.16	4,752,327.49
09/22/23	PAYROLL FEES			77.86				852,265.23	52,939.94	2,341,823.30	1,505,221.16	4,752,249.63
09/28/23	DEPOSIT - CARGILL	45,389.88						897,655.11	52,939.94	2,341,823.30	1,505,221.16	4,797,639.51
09/28/23	PAYROLL			25,731.36				897,655.11	27,208.58	2,341,823.30	1,505,221.16	4,771,908.15
09/29/23	DISBURSEMENT		76,127.33					821,527.78	27,208.58	2,341,823.30	1,505,221.16	4,695,780.82
	TOTAL	103,200.57	620,503.19	49,040.42	50,000.00	-	-	821,527.78	27,208.58	2,341,823.30	1,505,221.16	4,695,780.82
	CURRENT BALANCE							821,527.78	27,208.58	2,341,823.30	1,505,221.16	4,695,780.82

Reconciliation - 09/30/2023

① Bank Statement Balance	\$ 900,948.61
Less: Outstanding Checks	79,420.83
	\$ 821,527.78
② Bank Statement Balance	\$ 27,208.58
③ LAIF Statement	\$ 2,341,823.30
④ CAMP Statement	\$ 1,512,085.01

The Supplemental Treasurer's Report is prepared monthly by the General Manager. It also serves as EBDA's cash and investments reconciliation.

ITEM NO. FM6 YEAR-END CLOSING STATEMENTS FOR FISCAL YEAR 2022/2023

Recommendation

For the Committee's information only; no action is required.

Strategic Plan Linkage

1. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.
 - a. Operate EBDA's system efficiently.
 - b. Proactively manage expenditures to stay within adopted budget.
 - c. Identify and manage opportunities for revenue generation.
 - d. Secure grant funding for innovative projects.

Background

As presented to the Committee in September 2023, EBDA's annual expenses for Fiscal Year 2022/2023 were under budget. Per the Authority's Budget Policy,

"At the end of each Fiscal Year, the General Manager shall provide year-end closing statements to each Member Agency and LAVWMA detailing that agency's share of actual expenditures, and comparing that to the amounts budgeted and collected. If an agency's share of actual expenditures exceeded the amount collected, EBDA shall invoice that agency for the additional funds owed. If the agency's share of actual expenditures was less than the amount collected, that agency shall have the option to request that EBDA hold all or a portion of the surplus funds as fulfillment of that agency's reserve contribution under the Emergency Reserves Policy, or that EBDA return the surplus funds to the agency as a credit on their next EBDA invoice."

Staff's understanding is that all Member Agencies currently prefer a credit against their FY 2023/2024 obligations.

Discussion

The following table shows the amounts owed by each agency for FY 2022/2023 Operations & Maintenance (O&M) and Special Studies, as well as the amounts collected. The difference, plus revenues received from other sources, is the credit accruing to each agency. Reimbursements from Cargill have been deducted from the O&M expenses.

In addition, for the first time this year, two agencies are being assessed Capacity Exceedance Fees for their flows during this past winter's extreme wet weather. These revenues, summarized below, are proportionally added to the credits that non-exceeding agencies will see on their FY 2023/2024 bills.

Agenda Explanation
 East Bay Dischargers Authority
 Financial Management Committee
 October 16, 2023

Each Member Agency will be receiving a memo detailing their FY 2022/2023 payments and credits. The total credit to the Member Agencies is less than the overall budget underrun, as some funds will remain in Fund 13 to complete Special Studies that were deferred or are still underway. Also, while Oro Loma, Castro Valley, Hayward, and USD pay their \$750k Renewal and Replacement Fund (RRF) contribution up front each fiscal year, because they only participate in certain projects, San Leandro and LAVWMA pay their RRF share as part of this annual true-up process.

	San Leandro	O.L.S.D.	C.V.S.D.	Hayward	U.S.D.	LAVWMA	Total
Total O&M Expenses	\$ 190,223	\$ 464,129	\$ 242,208	\$ 562,480	\$ 1,310,718	\$ 572,206	\$ 3,341,963
Total O&M Paid	\$ 220,967	\$ 567,037	\$ 254,222	\$ 571,355	\$ 1,381,833	\$ 646,149	\$ 3,641,563
O&M Balance	\$ (30,744)	\$ (102,908)	\$ (12,014)	\$ (8,875)	\$ (71,115)	\$ (73,943)	\$ (299,600)
							\$ -
Total Special Studies Expenses	\$ 107,617	\$ 118,641	\$ 60,737	\$ 257,988	\$ 404,101	\$ 330,598	\$ 1,279,683
Total Special Studies Paid	\$ 89,527	\$ 121,097	\$ 60,076	\$ 282,459	\$ 413,153	\$ 284,876	\$ 1,251,188
Special Studies Balance	\$ 18,090	\$ (2,456)	\$ 661	\$ (24,471)	\$ (9,052)	\$ 45,722	\$ 28,495
Other O&M Revenue		\$ (495)	\$ (265)	\$ (381)	\$ (1,088)	\$ (787)	\$ (3,016)
Capacity Exceedance Fee	\$ (35,293)	\$ 141,700	\$ 76,300	\$ (47,333)	\$ (135,374)	\$ -	\$ -
Other Funding Credit	\$ (35,293)	\$ 141,205	\$ 76,035	\$ (47,715)	\$ (136,461)	\$ (787)	\$ (3,016)
Share of R&R Fund	\$ 28,100	\$ -	\$ -	\$ -	\$ -	\$ 163,050	\$ 191,149
Agency Total:	\$ (19,847)	\$ 35,842	\$ 64,682	\$ (81,061)	\$ (216,628)	\$ 134,042	\$ (82,971)

ITEM NO. FM7 MOTION TO APPROVE UPDATES TO THE AUTHORITY'S PURCHASING POLICY

Recommendation

Approve updates to the Authority's Purchasing Policy.

Strategic Plan Linkage

2. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.
 - a. Proactively manage expenditures to stay within adopted budget.

Background

Prior to the adoption of the Authority's Amended and Restated Joint Powers Agreement (JPA), the JPA stated that, "The affirmative vote of four members of the Commission shall be required to: [...] Award, modify or accept work under any contract (including but not limited to contracts for the acquisition or construction of any building, works or improvements for the Phase I Project) in excess of \$10,000." The Commission and the Member Agencies determined that it was appropriate to remove that level of detail from the Amended and Restated JPA, with the agreement that the rules governing procurement would be captured in the Authority's Purchasing Policy ("Purchasing Policy").

The Purchasing Policy was adopted in December 2020. The Amended and Restated JPA requires unanimous approval of any changes to the Purchasing Policy.

In September 2023, staff presented the following updates to the Policy, which were supported by the Committee:

- The Purchasing Policy uses a threshold of \$25,000 to determine bidding requirements as well as General Manager (GM) signature authority. Staff is recommending revising the Purchasing Policy to indicate that the threshold is "\$25,000 or less" rather than "Under \$25,000" for ease of implementation. While the Committee proposed raising the GM signature authority to \$75,000, there was not unanimous support for this revision across the Commission, and therefore this change is not recommended for inclusion.
- The proposed changes to the Purchasing Policy would clarify how task order-based contracts are to be used, as well as the Commission's role in approving task order-based contracts.

Discussion

A clean copy of the proposed Purchasing Policy is attached for the Committee's consideration, along with a version showing changes from the current Policy. No changes have been made to the version circulated with last month's agenda.

POLICY NUMBER: 1.7

NAME OF POLICY: Finance – Purchasing

LAST REVISED: ~~December 17, 2020~~ October 19, 2023

PREVIOUSLY REVISED: December 17, 2020~~N/A~~

PURPOSE: Policy Regarding the Procurement of Equipment, Supplies, Services, and Contracts for Construction Projects

POLICY:

I. AUTHORITY CONTRACTS WITH OUTSIDE CONTRACTORS, VENDORS, AND CONSULTANTS

A. Procurement of Equipment, Supplies, and Services

1. Purchases and Contracts Under of \$25,000 or less. If the estimated cost of the equipment, supplies, and services is less than \$5,000, the General Manager will attempt to secure the best value for the Authority, but need not solicit quotes, bids, or proposals. If the estimated cost is between \$5,000 and \$10,000, the General Manager will solicit informal quotes, bids, or proposals from at least two vendors/consultants. If the estimated cost exceeds \$10,000, but is ~~less than~~ \$25,000 or less, the General Manager will solicit informal quotes, bids, or proposals from at least three contractors, vendors, or consultants. For all purchases or contracts for equipment, supplies, or services at or below \$25,000, the General Manager may award the contract or purchase order, without further approval by the Commission.

2. Purchases and Contracts of More than \$25,000-or More. When the estimated cost of equipment or supplies ~~is-exceeds~~ \$25,000-or more, the General Manager will solicit formal written bids/proposals through means and methods which he or she determines to be most cost-effective, which may include advertisement in a newspaper of general circulation in the Authority.

When the estimated cost of services ~~is-exceeds~~ \$25,000 or more, the General Manager will solicit informal proposals through means and methods which he or she determines to be most cost-effective. With the exception of contracts for services procured pursuant to California Government Code Section 4525 et seq., all services contracts shall be awarded to the proposer(s) that offer the best value to the Authority, which is defined as the overall combination of quality, price, and other elements of a proposal that, when considered together, provide the greatest overall benefit to the Authority in response to the requirements described in the solicitation documents.

All contracts in ~~the an~~ amount ~~of exceeding~~ \$25,000 ~~or more~~ shall be submitted to the Commission for approval.

3. Qualifications Based Solicitations. Pursuant to California Government Code Section 4525 et seq. (the Mini-Brooks Act), the Authority will use qualifications-based competitive proposal procedures for the procurement of architectural, landscape architectural, engineering, environmental (but, not where the scope of work consists of planning services), land surveying or construction project management services regardless of the contract value. Under this method, proposals will be evaluated based upon qualifications and demonstrated competence.

B. Procurement of Construction Projects

1. California Uniform Public Construction Cost Accounting Act. The Authority has opted in to the California Uniform Public Construction Cost Accounting Act (California Public Contract Code Section 22000 et seq., the "Act"). Pursuant to the Act projects for the construction, reconstruction, erection, alteration, renovation, improvement, demolition, repair work, painting, or repainting of Authority-owned, leased, or operated facilities will be procured as follows:

a. Projects of \$60,000 (or the current threshold set forth in California Public Contract Code Section 22032(a)) or less may be let by negotiated contract or purchase order, or performed by the Authority's own employees by force account.

b. Projects of \$200,000 (or the current threshold set forth in California Public Contract Code Section 22032(b)) or less may be let by informal procedures set forth in the Authority's informal bidding resolution and in the Act.

c. Projects of more than \$200,000 (or the current threshold set forth in California Public Contract Code Section 22032(c)) will be let by formal bidding procedures set forth in the Act.

2. Maintenance Work. The Authority may, but is not required to, use the procedures set forth in this section B for maintenance work, which includes routine, recurring, and usual work for the preservation or protection of any Authority-owned or operated facility for its intended purposes, minor repainting, resurfacing of streets and highways of less than 1 inch, landscape maintenance, and work to keep, operate, and maintain Authority-owned water, power, or waste disposal systems.

3. Other Statutorily Authorized Methods. Alternative methods of procurement, such as a design build approach, may be utilized if authorized by state law and in full compliance with all applicable requirements.

C. Contractor Roster Pre-Qualification and Task Order-Based Contracts

The Authority may solicit qualifications and hourly rates and expenses from contractors for the purpose of creating a pre-qualified roster of contractors for a range of projects. The General Manager may then recommend to the Commission for approval a task order-based contract with each contractor deemed pre-qualified. Each task order-based contract shall have a total not-to-exceed dollar value. When a particular project arises, if the estimated cost is \$60,000 or less, the General Manager may issue a task order to the contractor most qualified for the work from the pre-qualified roster. If the estimated cost is greater than \$60,000 and less than \$200,000, the General Manager may follow the process outlined in Section I.B.1.b, or he or she may solicit bids from pre-qualified firms. Following selection, the General Manager may issue a task order to the lowest bidder, without further approval by the Commission, as long as the total value of all task orders issued under that contract is less than the Commission-approved not-to-exceed dollar value. Staff would inform the Commission of all task orders over \$25,000.

D. Consultant Roster Pre-Qualification and Task Order-Based Contracts

The Authority may solicit qualifications and hourly rates and expenses from consultants for the purpose of creating a pre-qualified roster of consultants for a range of services and projects. The General Manager may then recommend to the Commission for approval a task order-based contract with each consultant deemed pre-qualified. Each task order-based contract shall have a total not-to-exceed dollar value. When a particular consulting need or project arises, if the estimated cost is \$25,000 or less, the General Manager may issue a task order to the consultant most qualified for the work from the pre-qualified roster. If the estimated cost is greater than \$25,000, the General Manager may follow the process outlined in Section I.A.2, or he or she may solicit proposals from pre-qualified firms. Following selection, the General Manager may issue a task order to the most qualified firm, without further approval by the Commission, as long as the total value of all task orders issued under that contract is less than the Commission-approved not-to-exceed dollar value. Staff would inform the Commission of all task orders over \$25,000.

CE. Sole Source

Regardless of the estimated cost of the procurement, the Authority is not required to follow the processes detailed in this Policy when procuring materials, equipment, supplies, or services for which there exists only a sole source of supply.

DF. Leasing of Equipment

If the total rental payments due under a lease are ~~below \$25,000~~ or less, the General Manager will follow the procedure in Section I.A.1. If the total rental payments due under a lease are over \$25,000 ~~or more~~, the General Manager will follow the procedure in Section I.A.2.

EG. Reporting

The General Manager will report to the Commission on all contracts entered into under the General Manager's authority.

FH. Contract Extensions

Commission approval is required for extension of contracts or purchase orders beyond one (1) year where the cost of the extension is estimated to be greater than \$25,000 ~~or greater~~.

GI. Minority Business Enterprises/Women's Business Enterprises Policy

The Authority recognizes the value of diversity and it is the intention of the Authority to create a level playing field on which Minority Business Enterprises and Women's Business Enterprises can compete fairly for contracts and subcontracts.

HJ. Splitting Procurements Prohibited

The Authority will not arbitrarily split purchases into smaller segments or partial orders to remain below the authorized dollar threshold for formal solicitation in an effort to take advantage of informal solicitation procedures or otherwise avoid requirements of this Policy.

II. AUTHORITY CONTRACTS WITH MEMBER AGENCIES FOR WORK BY MEMBER AGENCY EMPLOYEES

A. Contracts with Member Agencies

The Authority has entered into contracts with its member agencies for the operation and routine maintenance of Authority Facilities and additional tasks, as requested by the Authority. Work performed pursuant to contracts between the Authority and its member agencies will conform to the East Bay Dischargers Authority Amended and Restated Joint Exercise of Powers Agreement, this Policy, and the respective contract. In particular, each member agency contract will require the member agency to indemnify the Authority against all losses that may arise out of the performance of the work. Furthermore, the Authority will require the member agency to maintain insurance in such types and amounts as the Authority may from time to time establish and naming the Authority and the member agencies as additional insureds.

B. Operations and Maintenance Manager Determination

Consistent with the above referenced contracts with the member agencies, the Authority's Operations and Maintenance Manager may authorize one or more member agencies to perform work on Authority Facilities when he or she determines that the agency(ies) can perform such work more cost effectively than if the work were let to contract by the Authority.

III. COOPERATIVE PROCUREMENTS WITH MEMBER AGENCIES

To foster greater economy and efficiency, the Authority may avail itself of joint procurements and assignment of existing contract rights ("piggybacking") with its member agencies.

IV. PURCHASE OR LEASE OF REAL PROPERTY

Any contract for the purchase of real property must be submitted to and approved by the Commission. Any lease or sublease of real property, including any renewal or extension of an existing lease or sublease, for which the annual rent is greater than \$25,000~~-or greater~~, must be submitted to and approved by the Commission. For any lease or sublease of real property, including any renewal or extension of an existing lease, for which the annual rent is ~~below \$25,000~~ or less, the General Manager may approve and execute the lease, sublease, renewal, or extension, without further approval by the Commission.

V. GENERAL MANAGER SIGNATURE AUTHORITY

A. Signature Authority Generally

Except as otherwise described in this Policy, the General Manager is authorized to expend funds, issue purchase orders, and sign contracts for procurements and activities for equipment, supplies, and for professional or other services where the cost is ~~less than~~ \$25,000 or less.

B. Change Orders and Amendments Generally

The General Manager is authorized to issue change orders or amendments where the cost is ~~less than~~ \$25,000 or less without further Commission approval, so long as such change order or amendment would not result in a total contract value of greater than \$25,000~~-or-greater~~. The Commission reserves to itself the right to approve all amendments to contracts previously approved by the Commission.

General Manager is authorized to administer all contracts on behalf of the Authority.

VI. EMERGENCY CONTRACTS

A. Competitively Bid Emergency Contracts

The General Manager has been authorized by the Commission to take all necessary and proper measures in emergency conditions to keep the Authority Facilities in operation. The Authority's practice is to competitively solicit contracts for emergency services in advance of any emergency, consistent with the California Governor's Office of Emergency Services (CalOES) and Federal Emergency Management Agency (FEMA) reimbursement requirements.

B. Non-Competitively Bid Emergency Contracts

In the event the Authority does not have a current contract for emergency services and the emergency conditions do not permit a delay resulting from a formal competitive solicitation process, the General Manager is authorized to make emergency purchases without giving notice for bids or proposals and to enter into such contracts without prior Commission approval. The General Manager will promptly report on the reasons and necessity for proceeding without a competitive solicitation to the Commission as required by Public Contract Code Section 22050 et seq.

C. Ratification

Commission ratification is required for any emergency contract where the cost ~~is exceeds~~ \$25,000 ~~or more~~ and will be obtained as soon as it is practicable to do so.

VII. WAIVER

The Commission may suspend or waive the requirements of this Policy in any instance when the Commission deems it in the best interest of the Authority to do so.

POLICY NUMBER: 1.7

NAME OF POLICY: Finance – Purchasing

LAST REVISED: October 19, 2023

PREVIOUSLY REVISED: December 17, 2020

PURPOSE: Policy Regarding the Procurement of Equipment, Supplies, Services, and Contracts for Construction Projects

POLICY:

I. AUTHORITY CONTRACTS WITH OUTSIDE CONTRACTORS, VENDORS, AND CONSULTANTS

A. Procurement of Equipment, Supplies, and Services

1. Purchases and Contracts of \$25,000 or less. If the estimated cost of the equipment, supplies, and services is less than \$5,000, the General Manager will attempt to secure the best value for the Authority, but need not solicit quotes, bids, or proposals. If the estimated cost is between \$5,000 and \$10,000, the General Manager will solicit informal quotes, bids, or proposals from at least two vendors/consultants. If the estimated cost exceeds \$10,000, but is \$25,000 or less, the General Manager will solicit informal quotes, bids, or proposals from at least three contractors, vendors, or consultants. For all purchases or contracts for equipment, supplies, or services at or below \$25,000, the General Manager may award the contract or purchase order, without further approval by the Commission.

2. Purchases and Contracts of More than \$25,000. When the estimated cost of equipment or supplies exceeds \$25,000, the General Manager will solicit formal written bids/proposals through means and methods which he or she determines to be most cost-effective, which may include advertisement in a newspaper of general circulation in the Authority.

When the estimated cost of services exceeds \$25,000 or more, the General Manager will solicit informal proposals through means and methods which he or she determines to be most cost-effective. With the exception of contracts for services procured pursuant to California Government Code Section 4525 et seq., all services contracts shall be awarded to the proposer(s) that offer the best value to the Authority, which is defined as the overall combination of quality, price, and other elements of a proposal that, when considered together, provide the greatest overall benefit to the Authority in response to the requirements described in the solicitation documents.

All contracts in an amount exceeding \$25,000 shall be submitted to the Commission for approval.

3. Qualifications Based Solicitations. Pursuant to California Government Code Section 4525 et seq. (the Mini-Brooks Act), the Authority will use qualifications-based competitive proposal procedures for the procurement of architectural, landscape architectural, engineering, environmental (but, not where the scope of work consists of planning services), land surveying or construction project management services regardless of the contract value. Under this method, proposals will be evaluated based upon qualifications and demonstrated competence.

B. Procurement of Construction Projects

1. California Uniform Public Construction Cost Accounting Act. The Authority has opted in to the California Uniform Public Construction Cost Accounting Act (California Public Contract Code Section 22000 et seq., the "Act"). Pursuant to the Act projects for the construction, reconstruction, erection, alteration, renovation, improvement, demolition, repair work, painting, or repainting of Authority-owned, leased, or operated facilities will be procured as follows:

a. Projects of \$60,000 (or the current threshold set forth in California Public Contract Code Section 22032(a)) or less may be let by negotiated contract or purchase order, or performed by the Authority's own employees by force account.

b. Projects of \$200,000 (or the current threshold set forth in California Public Contract Code Section 22032(b)) or less may be let by informal procedures set forth in the Authority's informal bidding resolution and in the Act.

c. Projects of more than \$200,000 (or the current threshold set forth in California Public Contract Code Section 22032(c)) will be let by formal bidding procedures set forth in the Act.

2. Maintenance Work. The Authority may, but is not required to, use the procedures set forth in this section B for maintenance work, which includes routine, recurring, and usual work for the preservation or protection of any Authority-owned or operated facility for its intended purposes, minor repainting, resurfacing of streets and highways of less than 1 inch, landscape maintenance, and work to keep, operate, and maintain Authority-owned water, power, or waste disposal systems.

3. Other Statutorily Authorized Methods. Alternative methods of procurement, such as a design build approach, may be utilized if authorized by state law and in full compliance with all applicable requirements.

C. Contractor Pre-Qualification and Task Order-Based Contracts

The Authority may solicit qualifications and hourly rates and expenses from contractors for the purpose of creating a pre-qualified roster of contractors for a range of projects. The General Manager may then recommend to the Commission for approval a task order-based contract with each contractor deemed pre-qualified. Each task order-based contract shall have a total not-to-exceed dollar value. When a particular project arises, if the estimated cost is \$60,000 or less, the General Manager may issue a task order to the contractor most qualified for the work from the pre-qualified roster. If the estimated cost is greater than \$60,000 and less than \$200,000, the General Manager may follow the process outlined in Section I.B.1.b, or he or she may solicit bids from pre-qualified firms. Following selection, the General Manager may issue a task order to the lowest bidder, without further approval by the Commission, as long as the total value of all task orders issued under that contract is less than the Commission-approved not-to-exceed dollar value. Staff would inform the Commission of all task orders over \$25,000.

D. Consultant Pre-Qualification and Task Order-Based Contracts

The Authority may solicit qualifications and hourly rates and expenses from consultants for the purpose of creating a pre-qualified roster of consultants for a range of services and projects. The General Manager may then recommend to the Commission for approval a task order-based contract with each consultant deemed pre-qualified. Each task order-based contract shall have a total not-to-exceed dollar value. When a particular consulting need or project arises, if the estimated cost is \$25,000 or less, the General Manager may issue a task order to the consultant most qualified for the work from the pre-qualified roster. If the estimated cost is greater than \$25,000, the General Manager may follow the process outlined in Section I.A.2, or he or she may solicit proposals from pre-qualified firms. Following selection, the General Manager may issue a task order to the most qualified firm, without further approval by the Commission, as long as the total value of all task orders issued under that contract is less than the Commission-approved not-to-exceed dollar value. Staff would inform the Commission of all task orders over \$25,000.

E. Sole Source

Regardless of the estimated cost of the procurement, the Authority is not required to follow the processes detailed in this Policy when procuring materials, equipment, supplies, or services for which there exists only a sole source of supply.

F. Leasing of Equipment

If the total rental payments due under a lease are \$25,000 or less, the General Manager will follow the procedure in Section I.A.1. If the total rental payments due under a lease are over \$25,000, the General Manager will follow the procedure in Section I.A.2.

G. Reporting

The General Manager will report to the Commission on all contracts entered into under the General Manager's authority.

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C. Ratification

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