



PROCUREMENT POLICY

Union Sanitary District Policy No. 2755

Effective Date: October 2025

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Union Sanitary District
Policy and Procedure Manual

Effective Date: October 13, 2025	Procurement Policy	Policy Number 2755
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Policy & Purpose

The Union Sanitary District procurement function is intended to provide internal customers with functional expertise and guidance in the procurement of goods and services needed at the District. This is accomplished by promoting accountability, innovation, and continuous improvement in all interactions and dealing with the supplier community in an open and equitable manner, while obtaining the best possible value for the District.

The intent of this policy is to promote the most cost-effective use of ratepayer dollars while contributing to fairness and equal access to business opportunities with the District. The policy is also intended to promote value for ratepayers by ensuring compliance with applicable laws and regulations.

It is the intent of this Policy to be consistent with the California Government Code, California Public Contract Code, and any other California codes and regulations governing public contracting and procurement (“California Law”). In the event of any conflict between this Policy and California Law, California Law shall prevail. In addition, to the extent California Law allows or is amended to allow less stringent purchasing or procurement requirements than required in this Policy, the less stringent requirements set forth in California Law shall be applicable.

Exceptions to this policy may be approved by the Executive Team or Board of Directors on a case-by-case basis.

Uniform Guidance

The District maintains written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. The District has established a Gratuities Policy allowing acceptance of unsolicited items of nominal value. District standards of conduct provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the District.

Definitions

<i>Addendum</i>	Any alteration, correction, or adjustment to a solicitation document prior to award.
<i>Adjusted Base Amount</i>	The new dollar amount of a Contract including Change Orders, or the sum of all Task Orders, including amendments, as approved by the Approver, for sums exceeding their predecessor's approval authority limit, or exceeding 115% of the Base Amount or previous Adjusted Base Amount (see also Base Amount).
<i>Amendment</i>	Modification of terms and/or pricing for goods, professional or non-professional services contract, or task order.
<i>Approver</i>	The individual with the authority to designate appropriated funding for a specific procurement.
<i>Authority to Enter into Contracts</i>	The term "Authority to Enter into Contracts" shall mean that the individual has authority to sign written contracts with outside parties.
<i>Base Amount</i>	The dollar amount of an initial Contract or Task Order.
<i>Best Value</i>	The tradeoff between price and performance that provides the greatest overall benefit under the specified selection criteria.
<i>Blanket Purchase Agreement</i>	An open agreement to purchase a given quantity of specific goods or standard services over a specified period of time.
<i>Blanket Purchase Agreement for Task Orders</i>	A consulting or professional services contract agreement generally intended between the District and a consultant for support services on an on-call basis and on more than one project, where a time of performance limit and an annual transaction maximum compensation limit is set by the terms of the agreement.
<i>Budgeted Procurements</i>	Projects or purchases that have been included as part of the fiscal year budget, or as a respective augmentation thereof, and authorized by the Board.
<i>Capacity Funds (CPTY)</i>	Funds that are set aside for activities related to increases in or preservation of the capacity of the collection, transport, and/or treatment system (both capital and non-capital are included in this fund).

<i>Centralized Procurement</i>	Unless otherwise stated in this policy, all purchases of goods and services are made by the District's procurement function to avoid duplication, overlapping and non-uniform procurement.
<i>Change Order</i>	A written order directing changes to the original purchase order and/or contract amount, timing, or scope of work.
<i>Construction Management Consultant</i>	Consulting firm hired under a separate contract to oversee contractor work on a construction project.
<i>Consultant</i>	A person or company that provides a professional service to the District.
<i>Contract</i>	Any voluntary, deliberate, and legally binding agreement(s), purchase order(s), or written documents which memorialize or establish a contractual agreement between the District and another party for the procurement or disposal of supplies, services, or construction.
<i>Cooperative Contracts</i>	Contracts already solicited and/or awarded by public agencies allowing the District to purchase goods, services, and equipment at competitively bid or assessed pricing, without the need for the District to undertake a separate solicitation request action.
<i>Declared Emergency</i>	For the purpose of procuring professional and non-professional services or goods and related services, a declared emergency is a sudden, generally unexpected, sustained occurrence or set of ongoing circumstances that has been declared by any local, state, or federal agency as an emergency. Or the District has declared an emergency requiring immediate action, the absence of which would undermine essential District services or cause an economic loss to the District or to prevent or mitigate the loss or impairment of life, health, property, or essential public services in accordance with applicable laws.
<i>District Projects</i>	Any construction, reconstruction, alteration, enlargement, renewal, rehabilitation, or replacement of District owned sewer facilities or property including but not limited to furnishing of supplies or materials for any such work (Public Contract Code Section 20801) and where the expenditure exceeds the limits specified in Public Contract Code Section 20803 (\$15,000). These projects must be formally bid out.
<i>Emergency Operational Purchases</i>	An emergency is a sudden, generally unexpected, sustained occurrence or set of ongoing circumstances requiring immediate action, the absence of which would undermine essential District services or cause an economic

	loss to the District or to prevent or mitigate the loss or impairment of life, health, property, or essential public services.
<i>Financial and Legal Services</i>	Services provided by financial consultants, auditors, banking and investment advisors, insurance, legal counsel, bond counsel, or trust companies.
<i>Force Account/In-House Projects</i>	New construction, preservation, support, mending, rehabilitation, restoration, and renovation projects performed utilizing in-house staff for the entire scope of the project. The District can perform force account work with no dollar limit or competitive bidding on labor, provided that the work is performed by the District's staff. Other project items such as Professional Services, materials, and equipment required to complete the work would still need to comply with the terms of this Purchasing Policy.
<i>Goods</i>	All supplies, materials, and/or equipment which are moveable at the time of sale and can be furnished to or used by the District. This also includes goods purchased separately for District Projects.
<i>Invitation for Bid (IFB)</i>	A formal bid process used when there is no substantive difference among the products or services since the products or services are required to meet certain specifications, so that the only difference among responsive bids is price.
<i>Non-Professional Services</i>	All services not within the scope of the definitions of Professional Services below. They are nontechnical or non-consultant services that provide support to and facilitate District operations. Typically, "trade" services that furnish labor to repair or provide maintenance for District-owned equipment or property. These types of services include, but are not limited to, maintenance agreements, uniform rental services, electrical, HVAC, plumbing, and mechanical. Final product of engagement is that something is built, repaired, diagnosed, or otherwise improved.
<i>Pre-Purchased Equipment</i>	Equipment purchased by the District for a District or Special Project, generally before the start of work on a construction project and under a separate contract with the supplier or manufacturer.
<i>Professional Services</i>	Services that require specialization/higher level of expertise, or a formal certification by a professional body such as medical, architecture, land surveying, professional engineering, real estate appraising, etc., including IT and programming work where the scope is mainly services. The Executive Team also maintains authority to qualify other services appropriate to be categorized as such.

	<i>Note: Professional Services contracts may be executed to assist the District in data collection, pilot studies, analyses, or making process or other recommendations to the District based on a service provider's unique area of expertise. These contracts may be precursors or separately executed in association with either Force Account or District Project work.</i>
<i>Renewal and Replacement Funds for Equipment (VHEQ), (ISRR), (PPSR)</i>	Funds for the specific purpose of replacing vehicles and equipment including renewals and replacements for Information Systems, Plant and Pump Station, and transport systems equipment.
<i>Request for Information (RFI)</i>	An RFI could be a first step or component included in establishing criteria for an IFB or RFP. This mechanism may be used solely for information gathering purposes.
<i>Request for Proposal (RFP)</i>	A formal bid process used for contracting of complex goods or services (professional or non-professional) where multiple factors must be considered along with price (experience, qualifications, specifications, etc.).
<i>Request for Quotation (RFQ)</i>	An informal bid process used when products or services are standard or off-the-shelf, which allows the District to compare various bids easily. No guarantee of subsequent purchase is implied when an RFQ is issued.
<i>Short List</i>	A periodically reviewed, pre-approved list of professional service providers who may be directly engaged by the District based on special qualifications or knowledge.
<i>Small Contract Threshold</i>	Collective value of a contract or smaller sums over a period of time not to exceed 5 years or \$100,000, whichever comes first, at which time the contract must be reviewed for continued suitability of pricing and terms by contract initiator and the Procurement Team.
<i>Special Projects Construction</i>	Any construction, reconstruction, alteration, enlargement, rehabilitation, renewal, or replacement of District-owned sewer facilities or property including but not limited to furnishing of supplies or materials for any such work where the expenditure is less than the \$15,000 limit specified in Public Contract Code Section 20803. These projects may be awarded either formally or informally, depending on the complexity of the project.

<i>Special Projects Funds</i>	Funds approved by the Board for a specific project or purpose. Each project has an appropriate account number, and a Project Manager/Program Manager listed under "Accounting/CIP Project List" on the District's "Portal".
<i>Standardized Equipment List</i>	A periodically reviewed, pre-approved list of equipment where standardization is desirable for a variety of reasons (maintenance, parts commonality, training, etc.). Items on this list may be purchased using sole source or without considering substantially "equal" substitutions.
<i>Structural Renewal and Replacement Fund</i>	Funds for the specific purpose of the renewal and replacement of infrastructure. Funds must replace or extend life of the asset and are included in the Capital Improvement Program budget.
<i>Task Order</i>	A directive to a consultant under a consultant or sub-consultant contract, Professional Services Agreement, or a Blanket Purchase Agreement for Task Orders, detailing the work scope, payment, and schedule of a definitive task or tasks.

Approval Thresholds

The Board of Directors designates the authority to commit specific funds as indicated below.

Operating Funds

Staff	may initiate requisitions but must have approvals as below
Storekeepers	up to \$10,000 for warehouse stock replenishment orders
Senior Accounting and Financial Analyst	up to \$10,000
Coaches (includes ETSU APM)	up to \$25,000
Work Group Managers (includes ETSU PM)	up to \$50,000
General Manager	up to \$100,000
Board of Directors	above \$100,000

Over \$100,000 List

Each fiscal year, the Board of Directors approves the District budget. As part of the budget approval process, the Board reviews and approves the *“Annual Contract Purchases of Supplies, Services, and Vehicle and Equipment Renewal/Replacement Over \$100,000”*. Once the budget is approved, expenditure authority for the line items listed is delegated to staff without additional Board approval, except that purchases without an existing contract or agreement will still be subject to district bidding requirements. The General Manager should be consulted on these purchases before any commitments are made. See Guidelines Based on Dollar Amounts below for additional guidance.

Vehicle and Equipment Funds (VHEQ)

The Collection Services Manager or other Work Group Manager designated by the General Manager is authorized to approve individual expenditures of Board approved VHEQ budgeted funds for purchases of the vehicles and equipment listed in the budget, subject to the signature authority in this policy. Individual vehicle/equipment not on the over \$100,000 list will require separate Board action to approve.

Information Systems Renewal and Replacement Funds (ISRR) and Plant and Pump Stations Renewal and Replacement Funds (PPSRR)

The Fabrication, Maintenance, and Technology Manager, or other Work Group Manager designated by the General Manager, is authorized to approve individual expenditures of Board approved ISRR and PPSRR budgeted funds for purchases of hardware, software, and other information systems related as well as plant or pump station equipment or repairs, subject to the signature authority in this policy. Items not on the over \$100,000 list will require separate Board action to approve.

Once Board approval for the VHEQ, ISRR and PPSRR is reflected by budget or other Board action, the following exceptions require additional Board approval:

- Increase in the purchase quantity of a listed item; or
- Addition of a newly identified item for purchase not listed in the approved budget; or
- Purchase of an upgrade to an item not listed in the approved budget; or
- Expenditure exceeding 15% of the estimated purchase amount for a listed vehicle or equipment over \$100,000.

Special Projects Funds, Structural Renewal and Replacement Fund, and/or Capacity Funds

Approval of individual expenditures of Board approved RNWL and/or CPTY budgeted funds is authorized by the TS Workgroup Manager or other Work Group Manager designated by the General Manager in accordance with the Approval Authority Levels of Expenditures for Approved, Budgeted Funds for TS Workgroup and ETSU Projects Matrix (Attachment B).

Approval of individual expenditures made by a Work Group other than TS using RNWL and CPTY funds may be authorized by any employee shown as the “Project Manager” or “Program Manager” for any project or purpose as listed in the current Operating and CIP Budgets with an appropriate account number provided that the total project budget amount is not exceeded by

more than 15%. The General Manager has the same authority as Project/Program Managers. Project or Program Managers may be assigned to projects after the budget is approved.

The Project Manager/Program Manager is responsible for maintaining an accurate accounting of the funds used and obtaining Board approval prior to authorizing any overages in excess of 15% of the approved project budget.

Methods of Procurement

The following are approved methods for procurement at the District; however, specific rules for use still apply.

Blanket Purchase Order Agreements

An agreement to purchase a given quantity of specific goods or standard services over a specified period of time, usually one year. These agreements are established by the Procurement team after negotiating terms and conditions with suppliers and publishing a maximum per purchase and per year dollar value as internal guidance for staff.

CAL-Card

The District's credit card (CAL-Card) may be used for purchases in accordance with the rules and regulations set forth in the *CAL-Card Handbook*.

District Projects

Expenditures for District Projects that exceed \$15,000 must be contracted through formal competitive bidding and let to the lowest responsive and responsible bidder after notice, subject to the provisions of Section 20800 et. seq. of the California Public Contract Code. Construction contracts for District Projects identified in the annual CIP budget are generally procured by the Technical Services Workgroup, with assistance from the Procurement Team. Refer to *Approval Authority Levels for Entering into Contracts for TS Workgroup and ETSU Projects* (Attachment A).

Technical Services - General Service Agreements

The Technical Services Workgroup maintains general service agreements with select consultants to provide professional services for projects or tasks, generally under \$50,000 in value and not to exceed two years and provides the Procurement Team with copies of these agreements. These projects typically address an immediate need and/or other needs not necessarily associated with a Capital Improvement Project. The consultants' published hourly rates and other fees are attached to these agreements, which the Technical Services Workgroup maintains. When the Technical Services Workgroup determines there is a need to hire the consultant, the consultant prepares a task order to the agreement. The task order includes the scope of services, deliverables, budget, and schedule. The Technical Services Workgroup tracks the number of task orders executed and monitors the budgets to ensure that the terms stipulated in the agreement are met. Staff prepares Board information items when new agreements are executed. Once a

new agreement has been finalized, TS shall provide Purchasing with an updated list of agreements.

Technical Services – Consultants Short List

The Technical Services Workgroup maintains a Consultants Short List of consultants who provide services that the District may need to utilize at a future date such as pipeline design, plant and pump station design, construction management, studies and master plans, and PLC and SCADA design. Technical Services conducts a process to update the list every three years. This process reduces the lead time on projects as the consultants have been vetted in advance. When a project need arises, this list serves as a starting point for reaching out to consultants while following the applicable purchasing guidelines. This list does not preclude Technical Services from reaching out to other consultants when needed. Professional Services Agreements and Task Orders for projects identified in the CIP program are generally procured by the Technical Services Workgroup. Once a new agreement has been finalized, TS shall provide Purchasing with updated list of agreements.

Cooperative Contracts

As allowed by law, the District may participate in and acquire items under cooperative contracts. As such, this is a preferred method of procurement. One exception is that General Services Administration (GSA) federal contracts may only be utilized for price comparisons.

Emergency Purchases: Declared Emergency and Emergency Operational Purchases

- District Work Group Managers may make emergency procurements when a declared emergency arises, and District needs cannot be met through normal procurement methods. An emergency procurement shall be limited only to a quantity of those supplies, equipment, materials, or services necessary to meet the emergency.
- In case of emergency, the General Manager may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a minimum four-fifths (4/5ths) vote of the Board of Directors.
- Upon adoption of the resolution, the Board of Directors may authorize expenses in any sum required in an emergency without complying with requirements of this policy (see Public Contract Code §22050).
- In the case of such emergency, if a 4/5ths quorum of the Board of Directors is unavailable to convene a timely meeting of the Board, the General Manager or designee is authorized to determine that the public interest and necessity demand the immediate expenditure of District funds to safeguard life, health or property and may commit up to \$500,000 for such purpose without complying with the requirements of this Policy.
- The General Manager or designee shall, at the earliest reasonable opportunity, notify the Board of Directors of such an emergency and the need for such expenditures. Following such notification, the Board of Directors shall hold an emergency meeting

to authorize or discontinue additional expenditures pursuant to the emergency (see Public Contract Code §22050).

- Purchase requisition procedures and approval limits remain the same for the authorization of the expenditures; however, formal bidding procedures may not apply.
- Emergency Operational purchases may be made using the limits listed under *Approval Thresholds, Operating Funds* above.

Force Account Work

The District can perform force account work with no dollar limit or competitive bidding on labor, provided that the work is performed by the District's staff. Purchases required to complete the work, such as materials and equipment, would still need to comply with the terms of this Procurement Policy. Professional Services can be utilized for design and consultation on the project, provided they do not perform any of the physical work on the project. Force Account Work may be a standalone project or a subcomponent of a larger project that the District has determined can be completed using its own labor. The use of District labor under this section is still subject to project approvals as provided by District policies and guidelines.

Sole Source

Employees requesting a purchase of goods or services from a single manufacturer or other supplier source (dealer, distributor, provider), not included in the CIP Standardized Equipment List or the FMC sole source list for parts and equipment (governed by policy 2760) for the purchase of certain parts and equipment for operational needs shall complete a *Non-Competitive Procurement Request Form (Attachment D)*.

- Requests for over \$25,000 value per item, group of items, or service require Executive Team approval. The Procurement Team will evaluate the request and make a recommendation to procure the goods or service from the suggested source or solicit the market for the item. If Executive Team approval will not be timely, the General Manager can also provide approval.

Standardized Equipment List

For efficient maintenance and operations throughout the District, Technical Services, FMC, and Collection Services have each developed Standardized Equipment Lists for certain equipment. This minimizes spare parts inventory, and costs associated with training staff on operations of this equipment. The lists shall be maintained by the respective Coach (per Policy #2760 - Standardized Equipment List) and shall be reviewed by the Executive Team and approved by the Board of Directors every three years.

Any additions to the list will be handled per policy 2760. Authorized personnel may utilize the list to purchase listed equipment without looking for an "or equal" substitution.

Formal Bidding

Formal bidding is a method where only an Invitation for Bid (IFB) or Request for Proposal (RFP) is utilized to obtain bids or proposals.

Invitation for Bid (IFB)

An IFB is a formal method issued by Purchasing to solicit bids for Goods and Non-Professional Services. An award will be made to the vendor who meets the minimum requirements and offers the lowest responsive and responsible bid as determined by the District. When choosing the IFB method, the following points should be met:

- Price is the only consideration.
- The goods or services are standard, routine, common, or off the shelf.
- Other than minimum qualifications, there are no additional bid requirements to consider (i.e. vendor experience/background, performance criteria, special terms and conditions).

Request for Proposals (RFP)

An RFP is utilized to solicit proposals from qualified vendors for complex goods, Non-Professional Services, or Professional Services when the specifications are complex in nature and additional factors need to be considered along with price.

Awards are based on the offer that best meets the needs of the District and is most advantageous in terms of the criteria as designated in the RFP.

Informal Bidding

Informal bidding is a method where a Request for Quote (RFQ) or a Request for Qualifications is utilized to obtain pricing for routine goods or services.

Request for Quotation (RFQ)

An RFQ is an informal method issued by Purchasing to solicit quotes when products or services are standard or off-the-shelf, which allows the District to compare various bids easily.

Request for Qualifications

A qualification-based selection is a method used for Professional Services where the most qualified firm is selected through a process utilizing criteria related to the competence and qualifications of the individual or firms. Prices are not revealed during the competitive selection process. This process is utilized to create the *USD Consultant Short Lists*.

Additional Purchasing Guidelines

Bid procedures shall be open and unrestricted; however, the District shall not be obligated to solicit bids from every supplier of any given service or material.

If only one (1) responsive bid is received in response to an IFB, RFP, or RFQ an award may be made, at the District's sole discretion, to the single contractor if the District finds that:

- the price(s) submitted are fair and reasonable, or
- the prices(s) submitted are consistent with current market conditions, or
- there is not adequate time for re-solicitation.

Otherwise, the bid may be rejected, and new bids may be solicited, the proposed procurement may be canceled; or, if the District determines the one price is not reasonable, and the re-solicitation results would not change, negotiations may be entered into with the lone bidder. If new bids are solicited, the prices originally submitted shall not be released to the public to maintain the integrity of the procurement process.

Prior to utilizing the IFB process specifically, the requesting workgroup will evaluate the project to ensure it meets the IFB guidelines.

Financial and Legal Services providers, as defined above, may be selected either at the discretion of the General Manager or via a competitive process. Contracts over \$100,000 will still need Board approval

In all District procurement activities, acquisitions shall not be artificially divided to circumvent bidding requirements. The procurement team will perform routine audits of internal transactions to verify and report findings to the Executive Team for action.

Product Demonstrations may be utilized to determine viability of various products or services for the District at all procurement levels. The Procurement Team should be engaged before a product is demonstrated for potential use and will assist in the process to minimize risk and liability to the District. The Procurement Team's involvement in these demonstrations is intended to ensure that insurance and other pertinent documents are obtained and filed appropriately with the District. A product demonstration does not guarantee future business with the District.

Guidelines Based on Dollar Amount

Purchases Up to - \$25,000

- Expenditures for the procurement of supplies, equipment, materials, or services having an estimated value of less than \$25,000 may be made on the open market with the requestor's discretion without following formal procurement methods.
- If informal methods indicate costs may exceed the \$25,000 threshold staff should consult with the procurement team prior to proceeding.
- A single quote may be obtained to purchase goods and services. The Work Group Manager should request that the vendor provide a written quote containing all details

of the purchase. It is recommended that three (3) written competitive quotes be obtained, to ensure the District is receiving the best value, however, it is not required.

Purchases \$25,001 - \$100,000

- Three (3) quotes should be obtained to purchase goods and services. If three quotes are not available, staff should consult with the Procurement Team for guidance.
- If only one (1) responsive bid is received in response to the solicitation, see “Additional Purchasing Guidelines” section.

Purchases Over \$100,000

- Board approval is required unless one of the following exceptions apply:
 - The item is on the over \$100,000 list in the current budget and an existing contract or agreement is in place, in which case no further approval or bidding is required.
 - The item is on the over \$100,000 list in the current budget but does not have an existing publicly bid contract or sole source agreement, in which case District bidding requirements will still apply.

Note: Prior to proceeding under either of the exceptions above, the General Manager should be consulted.

Note: Refer to Purchasing Options by Dollar Amount Matrix (Attachment C) for additional information.

Contract Severance & Bid/Proposal Protest Procedures

Per the District’s Terms and Conditions for Professional and Non-Professional Services, contracts may be subject to cancellation for either cause or convenience. The District will maintain records for the rationale behind such cancellations. General Manager, Work Group Managers, Coaches, or designees are responsible for creating and forwarding rationale for contract cancellations to the Procurement Team for filing.

Authority of Officials

The procedures for protesting selection of successful bidders described below are mandatory, and the time limits are absolute. The purpose of this section is to minimize disputes and litigation. For “District Projects”, bid protest procedures shall be as described in the project specifications.

For all other competitive bidding processes, the bid protest procedures shall be as set forth herein, unless otherwise provided in the procurement documents.

If a bidder disagrees with the District's recommendation of award of any competitively bid contract the protest must be submitted in writing within five (5) calendar days of the award recommendation of the contract. The Business Services Manager shall respond within five (5) calendar days of receipt of the protest.

Failure to submit a written protest within five (5) calendar days of the District's recommendation of award of the contract shall constitute a waiver of any protest or appeal and any right to file a claim regarding the award of the contract.

Appeal Procedure

Appeals of District decisions may be allowed in the circumstances set forth below. For "District Projects," the procedure for appealing District decisions on bid protests, if any, shall be as described in the project bid documents and specifications.

For all other competitive bidding processes, the procedure for appealing District decisions on bid protests, if any, shall be set forth in the procurement documents. If not set forth in the procurement documents, there shall be an appeal provided as set forth herein. The protestor may submit an appeal that shall:

- be in writing, and
- be directed to the General Manager, and
- include the documents necessary to substantiate the position of the appellant.

Such appeal must be filed on or before the fifth (5th) calendar day following the decision of the Business Services Manager.

The General Manager shall respond in writing to any such written appeal within 45 calendar days of receipt of the appeal. However, the General Manager may request in writing additional documentation to render his or her decision, within ten (10) calendar days of receipt of an appeal. Additional documentation and information requested must be requested and provided by the protester within five (5) calendar days of such request.

Bidders or protestors have no right to appeal to the Board of Directors of Union Sanitary District. The decision of the General Manager will be final and constitute exhaustion of administrative remedies by the bidder.

After the exhaustion of the above administrative remedies, a claimant may file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910, or Part 3 of Division 3.6 of Title I of the California Government Code). The procedures outlined above shall not extend the time to file a formal claim to the Board of Directors pursuant to Section 900 et seq. of the Government Code.

Responsibilities and Frequency

Employee Responsibility

District employees who are involved in any procurement activity have the responsibility to follow this policy and supporting procedures. Employees should engage the Procurement Team directly for process clarifications on procurement methods.

Procurement Responsibility

The Procurement Staff have the responsibility to coordinate and support the procurement activities and adhere to this policy and supporting procedures.

Management Responsibility

The District's management staff has the responsibility to ensure that this policy and supporting procedures are followed by employees. The Executive Team will review and approve all Non-Compete Form requests submitted and notify the Procurement Team of their determinations.

Attachment List

- A. Approval Authority Levels for Entering into Contracts for TS Workgroup and ETSU Projects
- B. Approval Authority Levels of Expenditures for Approved Budgeted Funds TS Workgroup Projects and ETSU Projects
- C. Purchasing Options by Dollar Amount Matrix
- D. Non-Competitive Procurement Request Form

Approved by:	Board of Directors
Author/Owner:	Business Services Workgroup Manager
Reviewers:	Executive Team,
Notify Person:	Business Services Workgroup Manager
Revision Frequency:	Every 3 Years
Next Review:	October 2028

APPROVAL AUTHORITY LEVELS FOR ENTERING INTO CONTRACTS FOR TS WORKGROUP AND ETSU PROJECTS

ATTACHMENT A

Fund 80 (RNWL) and Fund 90 (CPTY)

Type of Contract Approval	Project Manager	Coach or Asst. ETSU PM	ETSU PM or WGM	General Manager	Board of Directors
1. Enter into a Contract for Construction	Not authorized	Not authorized	Up to \$50,000 and requires an "information only" notification to the Board.	Up to \$100,000 and requires an "information only" notification to the Board.	>\$100,000 Board Secretary and General Manager signs contract
2. Approve Change Orders (CCO) under Construction Contracts	Project Mgr. may elect to give Construction Manager authority up to \$10,000 or one day of Time & Material work, whichever is less.	Up to \$25,000	Up to \$50,000	Up to \$100,000	<u>CCO Amount per Contract</u> 0 to \$25M 15% \$25M to \$50M 10% \$50M to \$100M 5% Above \$100M 2.5% >\$100,000 or when the cumulative value of the CCO's exceeds the above sliding scale percentage per contract. (1) Board authorizes General Manager to sign contract change order.
3. Enter into a Contract for Study, Pre-Design, Design, Engineering Support During Construction, Construction Management, Inspection, Programming, or other professional services Contracts, Task Orders, and other expenditures for Budgeted Projects	Not authorized	Not authorized	Up to \$50,000	Up to \$100,000	>\$100,000 Board authorizes General Manager to sign contract.

Type of Contract Approval	Project Manager	Coach or Asst. ETSU PM	ETSU PM or WGM	General Manager	Board of Directors
4. Sole-Source Equipment Acquisition Request	Not Authorized	Not Authorized	Not Authorized	GM authorization required for equipment not on the Standardized Equipment List. See Policy No. 2760	Board authorization required for updating the Standardized Equipment List. See Policy No. 2760
5. Execute Task Orders under a Blanket Agreement	Not authorized	Up to \$25,000	Up to \$50,000	Up to \$100,000	>\$100,000 Board authorizes General Manager to sign contract.
6. Execute Subsequent Task Orders	Not authorized	Up to \$10,000	Up to \$50,000	Up to \$100,000 or if >15% of adjusted base amount when sum is >\$50,000	>\$100,000 or if >15% of adjusted base amount when sum is >\$100,000. Board authorizes General Manager to sign contract.
7. Execute Task Order Amendments	Not Authorized	Not Authorized	Up to \$50,000	Up to \$100,000 or if >15% of cumulative adjusted base amount, when sum is >\$50,000	>\$100,000 or if >15% of cumulative adjusted base amount when sum is >\$100,000. Board authorizes General Manager to sign contract.
8. Execution of Non-Monetary Amendments (e.g.: significant changes in contract language, liability, or time of completion).	Not authorized	Not authorized	Not authorized	General Manager Approves	Not Applicable
Acceptance of a Construction Contract and Authorize Filing of Notice of Completion	Not authorized	Not authorized	Up to \$50,000 <i>with an informational report to the Board</i>	Up to \$100,000 <i>with an informational report to the Board</i>	>\$100,000 Board Secretary and General Manager signs documents

Credit-type change order or Task Orders Amendments (negative value) shall follow the same approval authority levels, except absolute values of credits greater than \$100,000 can be authorized by the General Manager.

(1) Should the original change order authority be exceeded for any project (based upon the sliding scale above), the Board shall have the authority to increase the change order amount to an amount the Board deems reasonable on a case by case basis. In these instances, staff will provide a change order summary to the Board quarterly showing all the change orders approved since the change order authority was increased.

**APPROVAL AUTHORITY LEVELS OF EXPENDITURES FOR
APPROVED, BUDGETED FUNDS FOR TS WORKGROUP AND ETSU PROJECTS**

ATTACHMENT B

Applies to Funds 80 (RNWL), 90 (CPTY) and 30 (Special Projects)

Type of Expenditure Approval	Project Manager	Coach or ETSU Asst. PM	ETSU PM or WGM	General Manager	Board of Directors
Approved, budgeted expenditure relating to an approved Contract or Agreement for: - Contractor Invoices for Progress Payments - Consultant Invoices for Approved Task Orders and Amendments	Up to \$200,000 Up to \$50,000	Up to \$400,000 Up to \$100,000	No limit if $\leq 100\%$ + applicable CCO rate of contract amount (See Attachment A) No limit if $\leq 115\%$ of contract amount (Adjusted base amounts > \$100,000)	No limit if $\leq 100\%$ + applicable CCO rate of contract amount (See Attachment A) No limit if $\leq 115\%$ of contract amount (Adjusted base amounts > \$100,000)	>100% + applicable CCO rate of contract amount (See Attachment A) >115% of contract amount (Adjusted base amounts > \$100,000)
Requisitions for Budgeted Projects	Not authorized	Up to \$25,000 for Coach position only	Up to \$50,000	Up to \$100,000	>\$100,000

**PURCHASING OPTIONS BY DOLLAR AMOUNT MATRIX
ATTACHMENT C**

Formal or Informal Bidding	Purchasing Options by Dollar Amount	No. of Quotes Required
	Up to \$25,000 - All Items Except District Projects >\$15,000	
Informal	Request for Quote	1
Informal	Cooperative Contract	1
Informal	Technical Services General Services Agreement	1
Informal	Standardized Equipment List	1
Informal	Sole Source	1
	\$25,000 - \$100,000 - Goods and Services & Non-Professional Services	
Formal	Invitation for Bid	3
Formal	Request for Proposal	3
Informal	Request for Quote	3
Informal	Cooperative Contract	1
Informal	Standardized Equipment List	1
Informal	Sole Source (Requires Non-Competitive Form and ET Approval)	1
	\$25,000 - \$100,000 - Professional Services and District Projects >\$15,000	
Formal	Request for Proposal	3
Informal	Request for Quote	3
Informal	Technical Services General Services Agreement (up to \$50,000)	1
Informal	Cooperative Contract	1
Informal	Sole Source (Requires Non-Competitive Form and ET Approval)	1
	>\$100,000 - Goods, Non-Professional Services & Professional Services <i>Any purchase in this section requires Board approval</i>	
Formal	Invitation for Bid	3
Formal	Request for Proposal	3
Informal	Cooperative Contract	1
Informal	Standardized Equipment List	1
Informal	Sole Source (Requires Non-Competitive Form and ET Approval)	1



ATTACHMENT D NON-COMPETITIVE PROCUREMENT REQUEST FOR PRODUCTS AND SERVICES

Date:	Name of Supplier/Brand/Contractor:
Type of Product(s) or Service:	
Requisition:	Estimated/Quoted Cost:

As a public agency, the Union Sanitary District is committed to conducting its procurement activities with transparency, fairness, and fiscal responsibility. The Purchasing Department strives to obtain the necessary goods and services at fair and reasonable prices, using procurement methods that serve the best interests of both the District and the public.

While the District is not legally required to solicit formal, sealed competitive bids for the procurement of products and services—except for defined construction “projects” exceeding \$15,000 per Public Contract Code Section 20803—it is our best practice to seek competitive pricing for any purchase over \$25,000. This applies to single items, groups of items, or services, unless it is determined that competition is not feasible.

Circumstances Where Competition May Be Limited or Nonexistent:

- The product or service is unique to the wastewater industry, with few or only one available supplier.
- Equipment or parts must conform to specific brand-name standards (though not necessarily from a specific supplier) to ensure compatibility, reliability, and performance.
- Certain vendors specialize exclusively in services tailored to the wastewater treatment industry and are uniquely qualified to support or repair District systems.
- Selection of a specific supplier may be required to preserve system performance, technical integrity, or warranty coverage.

In instances where a request (requisition) involves the non-competitive acquisition of goods or services—due to specialized requirements, brand or technical specifications, or a lack of market competition as outlined below—the requesting department must complete the justification form provided below and obtain the necessary approval prior to purchase.

We appreciate your cooperation in maintaining a procurement process that reflects our values of accountability, efficiency, and public trust.

Please check one of the following that applies to your request. Provide the information requested for the category you checked. Type in your justification in the open space below.

1. ☐ **SOLE-SOURCE:** *Only one provider (not a reseller) that offers the product/service. Explain why the product or service is only available from one source. Include unique features and, if applicable, provider's exclusive rights, qualifications or licenses.*
2. ☐ **SOLE-BRAND OR SERVICE:** *Multiples sources may be able to supply the specified model and brand. In this case, competitive bids or quotes may be solicited for the requested brand or service only. If only one source of supply of the brand exists (i.e.: a dealer is the only one in a "protected" territory) the purchase will be made without further solicitation of bids or quotes. **Justify the need for this specific brand or service. Explain how using another brand would hinder functionality, compatibility, or performance.***
3. ☐ **STANDARDIZATION REQUEST:** *Describe how this item or services matches existing equipment of systems. Include brand, model, and quantity of existing equipment and explain why compatibility is required.*

JUSTIFICATION:

4. ☐ **OTHER NON-COMPETITIVE RECOMMENDATION:** Examples include:
 - ☐ A. Emergency Operational Purchase (refer to Procurement Policy #2755)
 - ☐ B. Pre-qualified suppliers (suppliers awarded contracts under State of California bidding or other cooperative bidding, where price and other factors have already been assessed).
Include State or Cooperative Contract Title and Number.
 - ☐ C. Quality/reliability and performance history indicate an award of a contract to a particular supplier would be in the best interest of the District.

JUSTIFICATION:

Approval Chain Form

For Internal Procurement and Requisition Approval

Requestor Information:

Name of Requestor: _____

Date Submitted: _____

Purchasing Department Review

Recommendation: _____

Purchasing Agent Signature: _____

Date: _____

Workgroup Manager Approval:

Workgroup Manager Signature: _____

Date: _____

Executive Team Approval (Required for requisitions over \$25,000)

Executive Team Approver Signature: _____

Date: _____

Note:

Board of Directors approval is required for sole-source contracts exceeding \$100,000 in value.