

GATEWAY WATER MANAGEMENT AUTHORITY
POLICY AND PROCEDURES

**PROCUREMENT PROCEDURE FOR AWARDING CONSTRUCTION AND MAINTENANCE PROJECT
CONTRACTS**

Section 1. General Requirements:

- A. Conformance with the GWMA Budget: No contract shall be awarded for a Construction or Maintenance Project (collectively referred to as “Project”), as defined in Subsection A of Section 2, unless the person or group of persons making the procurement signs a statement prepared by the Finance Officer certifying that the proposed contract conforms to the budget adopted by the Board of Directors and to any applicable county, federal or state grants.
- B. Change Orders: A change order may be approved only by the person or group of persons authorized to originally award and enter into the contract for the Project, provided that the contract amount as amended by the change order does not exceed the authority of the person or group of persons under this Policy and Procedure. In that case, the change order can only be approved by a person or group of persons authorized to enter into the contract at the price that includes the change order.
- C. Prohibition against Splitting Procurements: No procurement for a Project shall be split or separated into smaller procurements for the purpose of evading the requirements of subsection B of Section 2.
- D. Bonds and Insurance: The person or group of persons authorized to enter into a contract for a Project may require liability and other insurance and performance and payment bonds in such amounts as the person or group of persons deem reasonably necessary to protect GWMA’s interests. Bond and insurance requirements, if any, shall be included in the procurement documents.
- E. Procurement with State or Federal Funds: All Project contracts for which payment is to be made, in whole or in part, with federal or state funds, regardless of the estimated value, shall be awarded in accordance with the procedures contained in this Policy and Procedure and in accordance with applicable federal or state regulations, whichever is more restrictive.

Section 2: Definitions

- A. Definitions: The following terms are defined as set forth below:
 - 1. **FACILITY**: Any plant, building, structure, ground facility, utility system, real property, streets and highways, or other public work improvement.

2. CONSTRUCTION PROJECT:

- a. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, or repair work involving any publicly owned, leased or operated facility;
- b. Painting or repainting of any publicly owned, leased or operated facility.

3. MAINTENANCE PROJECT: Maintenance Project includes all of the following:

- a. Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes;
- b. Minor repainting;
- c. Resurfacing of streets and highways at less than one inch (1”);
- d. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems;
- e. Work performed to keep, operate and maintain publicly owned water and water disposal systems, including, but not limited to, drainage systems, dams, reservoirs and water retention structures.

B. General Requirements:

1. Designation of Projects: The Executive Officer shall review all proposed Projects and shall classify them as follows:

- a. Projects of forty five thousand dollars (\$45,000.00) or less, which may be let as provided in Subsection C.
- b. Projects of more than forty-five thousand dollars (\$45,000.00) and less than one hundred seventy-five thousand dollars (\$175,000.00), which shall be let by contract after informal bidding as provided in Subsection D.
- c. Projects of more than one hundred seventy-five thousand dollars (\$175,000.00), which shall be let by contract after formal bidding as provided in Subsection E.

C. Procedures for Projects less than Forty five Thousand Dollars (\$45,000.00): Contracts for Projects of less than Forty-five Thousand Dollars (\$45,000.00) may be approved and entered into by the Chair of the Board of Directors based on a recommendation from the Executive Officer after solicitation of at least three bids. The Executive Officer shall provide notice of all contracts entered into pursuant to this procedure to the Board of Directors.

D. Informal Bidding Procedures for Projects from Forty-five Thousand Dollars (\$45,000.00) to and Including One Hundred Seventy-Five Thousand Dollars (\$175,000.00):

1. GWMA shall place the notice inviting bids for all Project contracts on GWMA's website and shall also send a notice inviting bids for Construction Project contracts to all construction trade journals specified in Public Contract Code Section 22036.
2. The notice inviting informal bids shall describe the Project in general terms and how to obtain more detailed information about the Project, and state the time and place for the submission of bids.
3. The contract shall be awarded by the Board of Directors.
4. The Board shall award the contract for a Construction Project to the lowest responsible bidder.
5. The Board shall award the contract for a Maintenance Project to the bidder that, in the Board's opinion, offers the best combination of price, quality and experience.
6. If all bids received are in excess of One Hundred Seventy-Five Thousand Dollars (\$175,000.00), the Board of Directors may, by adoption of a resolution by a four-fifths (4/5) vote, award the contract, at One Hundred Eighty-Seven Thousand Five Hundred Dollars (\$187,500.00) or less, to the lowest responsible bidder, if it determines the GWMA's cost estimate was reasonable.

E. Procedures for Projects Exceeding One Hundred Seventy-Five Thousand Dollars (\$175,000.00):

1. The Board of Directors shall adopt plans, specifications, and working details for the Project.
2. Notice of bids for Maintenance Project contracts shall follow the notice procedures for Maintenance Project contracts provided in Paragraphs D and E.
3. Notice inviting formal bids for Construction Project contracts 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 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in a City in which the work is to be performed; or, if there is no such newspaper, in a newspaper of general circulation circulated within a City in which the work is to be performed, or, if there is no such newspaper, publication shall be by posting the notice in at least the three places within the City in which the work is to be performed designated as places for the posting of its notices. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified in Section Public Contract Code Section 22036. The notice shall be sent at least 14 calendar days before the date of opening the bids.

4. The Board shall award the contract for a Construction Project to the lowest responsible bidder.
 5. The Board shall award the contract for a Maintenance Project to the bidder that, in the Board's opinion, offers the best combination of price, quality and experience.
 6. In its discretion, the Board may reject all bids presented. If, after the first invitation for bids all bids are rejected, after reevaluating its cost estimates of the project, the Board shall re-advertise for bids in the manner described by this Policy and Procedure.
 7. If two (2) or more bids are the same and the lowest, the Board may award to accept either bid.
- F. If no bids are received through the formal or informal procedure, the Project may be performed by force account or by negotiated contract without further complying with this Policy and Procedure.

Section 3. Revision of Policy and Procedure

This Policy and Procedure may be amended at any time by a majority vote of the entire Board of Directors.