



Procurement Policy Update

February 18, 2020 | Item 5.B.

Presented by: Karen Williams, DGM/CFO

Recommendation



It is recommended that the Commission approve the following:

1. Updated PRO110 – Procurement Policy and Purchasing Authority;
2. Updated General Services Agreement for Services by:
 - a) Independent Consultant
 - b) Contractor;
3. Updated Attachment A – Terms and Conditions (Work Orders);
4. PRO110 – Federally Funded Procurement Policy; and
5. G&A103 – Travel and Expense Policy.

PRO110 – Procurement Policy and Purchasing Authority



- Lagerlof Senecal Gosney & Kruse (LSGK) reviewed SAWPA's procurement policy, our procurement process, and our procurement documents, including:
 - General Services Agreement (GSA)
 - Task Orders
 - Work Orders and Attachment A - Terms and Conditions.
- LSGK found that our procurement process was good but we needed to make changes to the policy and documents.

PRO110 – Procurement Policy and Purchasing Authority

Changes to the Procurement Policy & Purchasing Authority

- Updated the Standard Authorization Table (Section 2.4)

Position	Current Approval Amount	Updated Approval Amount
Manager	\$ 0 – 2,500	≤ \$4,000
Department Manager	\$ 2,501 – 10,000	≤ \$15,000
General Manager	\$10,001 – 50,000	≤ \$100,000 *
Commission	\$50,001 +	> \$100,000

***Updated amount based on:**

- Inflation rate (has been \$50,000 since at least 2001)
- In line with Member Agencies GM approval amount

PRO110 – Procurement Policy and Purchasing Authority

Changes to the Procurement Policy & Purchasing Authority

- Updated the Quotes Guideline Table

Current Quote Limits	Updated Quotes Limit	Quotes
\$500 – 2,500	\$500 – 4,000	At least one quote
\$2,501 – 10,000	\$4,001 – 15,000	At least two quotes
\$10,001 – 34,999	\$15,001 – 34,999	At least three quotes
\$35,000 +	\$35,000 +	At least three quotes unless it is a public works contract *

* Section 3.4 Public Works includes Competitive Bidding Requirements

PRO110 – Procurement Policy and Purchasing Authority



Changes to the Procurement Policy & Purchasing Authority

- Updated and expanded Section 3.4 Public Works
- Updated and expanded Section 3.5 Exceptions to Competitive Bidding Requirements
- Added the following sections:
 - 3.6 General Services Agreement Provision
 - 3.7 Federal Procurement Policy (reference)
 - 3.8 Travel and Expense Policy (reference)
- Removed Section 7.0 Disposition of Surplus Property
 - We have a separate policy for this

Updated General Services Agreement

A decorative graphic of a blue water splash, with several droplets and a larger pool of water, positioned in the upper right corner of the slide.

- General Services Agreements (GSA) are required when contracting with a consultant or contractor.
- The GSA is used to set forth the terms and conditions for contracted services.
- After review, LSGK updated the GSA to include ACWA JPIA recommended insurance requirements and indemnification clauses.
- LSGK created two GSA's, one for consulting services and one for contractor services.

A decorative graphic of a blue water splash with droplets and bubbles, located in the top right corner of the slide.

Updated Attachment A – Terms and Conditions (Work Orders)

- Attachment A was updated to include all changes made to the GSAs, specifically the indemnification and insurance requirements.

PRO110 – Federally Funded Procurement Policy

- SAWPA has received Federal Funds as part of the State Revolving Funds (SRF) loan program.
- Audit firm recommended SAWPA adopt a Federally Funded Procurement Policy
- Policy is based on the procurement guidelines of the Uniform Guidance (UA), formally 2 C.F.R. 200 Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- LSGK has reviewed this policy



G&A103 – Travel and Expense Policy



- The current policy was last updated in June 2004
- The major changes made include:
 - Authorization for travel outside the continental US must be approved by Commission action
 - Rates have been set for meals and incidentals by category
- Added sections:
 - Section 7.0 Non-Reimbursable Travel Expenses
 - Section 8.0 Compensation for Travel Time
- Re-organized and clarification throughout the document
- Reviewed by LSGK

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5. G&A103 – Travel and Expense Policy.

A stylized, vibrant blue water splash graphic dominates the left and top portions of the image. The splash is composed of various droplets and flowing streams, rendered with a glossy, 3D effect. The background is a light, gradient blue. In the lower right quadrant, the word "Questions?" is written in a bold, black, sans-serif font with a subtle drop shadow.

Questions?