

## **FLORIN RESOURCE CONSERVATION DISTRICT**

### **PROFESSIONAL AND CONSULTANT SERVICES AGREEMENTS POLICY**

**Purpose of the Policy:** The purpose of this policy is to establish the Florin Resource Conservation District (District) officers' authority and procedural requirements for professional and consultant services agreements. All professional and consultant services required by the District shall be made in accordance with this policy.

**Section 1.** Professional and consultant services shall be procured as economically as possible commensurate with quality needed as to provide the best overall value to the District.

**Section 2.** Before an agreement is signed by any District representative or is brought to the District Board of Directors (Board) as an agenda item, the agreement must:

- (1) Include appropriate insurance and indemnification provisions reviewed by District Legal Counsel;
- (2) Be approved as to form by District Legal Counsel;
- (3) Be approved as to budget availability and purchasing procedural compliance by the General Manager or Finance Manager; and
- (4) Be signed by the other party unless it's an agreement that must go before the Board and requires the other party to acquire payment and/or performance bonds. In this case, the agreement shall be taken to the Board unsigned by either party.

**Section 3.** Each agreement entered into under the policy shall be filed with the Finance Supervisor and shall be retained in accordance with the District's adopted retention policy.

**Section 4.** It is against District policy to split into smaller orders the procurement of professional or consulting services for the purpose of evading the provisions of this policy. The District will not utilize interim contracts and will only utilize standard contracts to procure professional and consulting services according to the requirements as set forth below.

**Section 5.** The General Manager or the Board may reject any or all proposals received as part of the proposal process.

**Section 6.** General procedures and rules for procuring professional and consulting services are as follows:

Selection for professional and consultant services, defined as the services of a private architect, landscape architect, engineer, doctor, information technology specialist, environmental scientist, investment advisor, financial, land surveying, or construction project management firm, shall be based on best qualified and most responsible proposer, as determined by the District. Selected proposer may not necessarily be the lowest priced proposal.

(a) *Professional and Consultant Services (Costing \$5,000 or less):* For professional and consultant services costing \$5,000 or less, professionals will be asked to submit a letter proposal. The District shall select those professionals that demonstrate the highest competence and professional qualifications necessary for the satisfactory performance of the services required. Professionals who are selected will be required to submit a letter of engagement, signed by the District and the Professional firm, setting forth the price and scope of services to be provided.

(b) *Professional and Consultant Services (Costing \$5,001 to \$50,000):* For professional and consultant services costing \$5,001 to \$50,000, District staff shall:

- i. Informally solicit proposals by written or verbal request (via telephone, fax, e-mail, or mail) from at least three firms, or justify why such quotations were not possible or justified;
- ii. District management staff shall review all responsive proposals and evaluate the proposals in order to determine which proposer best meets the District's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The successful proposer may not necessarily have the lowest priced proposal. If another firm is selected, the reasons for not selecting the firm with the lowest priced proposal (i.e., quality) shall be recorded. The District reserves the right to reject any and all proposals or waive any irregularities in any proposal or the proposal process;
- iii. Award of agreement. A professional services agreement shall be used as the form of contract and must be approved by the General Manager. Prior to the General Manager approving the professional services agreement, District Legal Counsel shall review the agreement and provide approval as to the agreement's form. After legal counsel review, the General Manager shall review the professional services agreement, the availability of budgeted funds to cover the agreement, proper account coding and compliance with proper contracting procedures;
- iv. A multiple year agreement with a total cost that is projected to cost \$5,001 to \$50,000 over the term of the agreement shall be governed by the same procedures above.
- v. For contracts valued at more than \$5,000 but less than \$50,000, the General Manager may approve change orders. Change orders more than 10% of the original contract must be reported to the Board at the next regular Board meeting. In the event that the change order and the original contract amount exceeds the General Managers

signing authority of \$50,000, the change order must be approved by the Board.

(c) *Professional and Consultant Services (Costing More than \$50,000)*: For professional and consultant services costing more than \$50,000, District staff shall:

- i. Formally solicit proposals by using a Request for Proposal. The request for proposal shall include a general description of the services to be procured, the specific qualification requirements, a copy of the District's professional services agreement, and the time and place for submission of proposals. To the extent feasible, a notice inviting proposals shall be distributed to at least three (3) firms, unless the General Manager determines there is sufficient sole-source justification;
- ii. Utilizing a Professional Services Review Panel comprised of members of District management staff and board members, all responsive proposals shall be reviewed and evaluated in order to determine which proposer best meets the District's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The successful proposer may not necessarily have the lowest priced proposal. If another firm is selected, the reasons for not selecting the firm with the lowest priced proposal (i.e., quality) shall be recorded. The criteria by which the District shall evaluate proposals shall be set forth in the request for proposals. The District reserves the right to reject any and all proposals, or waive any irregularities in any proposal or the proposal process;
- iii. Award of agreement. A professional services agreement shall be used as the form of contract. Prior to the General Manager approving the professional services agreement, District Legal Counsel shall review the agreement and provide approval as to the agreement's form. After legal counsel review, the General Manager shall review the professional services agreement, the availability of budgeted funds to cover the agreement, proper account coding and compliance with proper contracting procedures. District staff shall prepare a staff report that identifies the availability of budgeted funds for the professional services, and staff shall take the professional services agreement to the Board for approval authorizing the General Manager to execute the professional services agreement. Board approval may be by either adoption of a resolution or approval of a motion; and

- iv. A multiple year agreement with a total cost that is projected to cost more than \$50,000 over the term of the agreement shall be governed by the same procedures above.
- v. For contracts valued more than \$50,000, the General Manager may approve change orders. All change orders that exceed 10% of the original contract must be approved by the Board.

**Section 7. Sole Source Procurement:**

(a) A sole source procurement is defined as any contract entered into without a competitive process, based on a justification that:

- i. Only one known source exists for services as determined by documented research; or
- ii. No other reasonable alternative source exists that meets the Districts requirements; or
- iii. Only one source meets the business needs of the District (e.g., compatibility, unique feature to meet District's business need, etc.); or
- iv. An urgent need for the service will not permit a delay resulting from competitive solicitation.

(b) When the service can be obtained from only one (1) source which has been reviewed and approved in writing by the General Manager for procurements up to \$50,000, or the Board for purchases costing more than \$50,000 or when in the judgment of the General Manager or Board, that compliance with the procurement procedures are not in the best interest of the District, the procurement must be accompanied by written justification. The justification may require the requestor to provide information such as:

- i. A description of the unique features that prohibit competition;
- ii. Documented research conducted to verify the professional or consultant as the only known source;
- iii. A description of the marketplace to include professional service providers;
- iv. Known compatibility issues; and/or
- v. Timing issues.

**Section 8. Emergency Procurements**

(a) In an emergency, defined as a situation where there is an immediate threat to life or property or where there is, or would be, a disruption of a vital public service;

(b) An emergency procurement must be approved verbally by the General Manager or, if he/she is not available, by other management personnel. When an emergency purchase is made, the purchase order for the transaction shall be prepared and approved the next working day (according to the procedures described above). Any such purchase order shall include documentation certifying the emergency.

(c) For emergency procurement exceeding \$50,000, a full accounting of such emergency expenditures by the General Manager will be reported to the Board at the next regular board meeting and the budget and/or reserve adjustment recommendation of the General Manager will be presented to the Board for discussion and approval