




Scotts Valley Fire Protection District	
POLICY: 1600 DATE APPROVED: 6/13/2018 BOARD PRESIDENT: 	SUBJECT: Purchasing FIRE CHIEF: 

Policy 1600: Purchasing

The California Government Code Section 935.4 permits the Board of Directors to delegate its authority for the allowance, compromise and settlement of claims to an employee (employees) provided the claim does not exceed fifty thousand dollars (\$50,000).

This policy authorizes the Chief Officers of the Scotts Valley Fire Protection District to review and verify claims made against the District which do not exceed fifty thousand dollars (\$50,000), and thereafter to transmit them to the Santa Cruz County Auditor-Controller, with the appropriate transmittal documents, showing them to be verified as proper claims against the District, and authorizing payment of such claims from the funds of the District. The Board shall, at its next regular meeting, review all claims forwarded and take action to officially authorize their payment.

Claims in excess of \$50,000 shall be authorized by the Board of Directors prior to payment.

1. Fixed Assets

Budgeting, purchasing, and capitalization of fixed assets shall be according to the following specifications:

- Fixed assets (other than land), which are expected to be useful for at least three years
- Cost at least \$5,000, if structures, or equipment

Improvements to fixed assets which are to be capitalized are those which significantly extend its life, and have the following cost limitations:


- Cost at least \$5,000, if structures, or equipment

2. Supplies, Materials, Equipment, and Contractual Services

The purpose of this policy is to secure for the District Taxpayers the advantages and economies which will result from centralized control over the expenditures of District funds for supplies, materials, equipment and contractual services.

A. Definitions

Supplies and Equipment means any and all articles or services and supplies which shall be furnished to or used by the District.

Scotts Valley Fire Protection District	
POLICY: 1600	SUBJECT: Purchasing

Contractual Services means any and all services which a contractor provides which are required by the District, but are not furnished by its own employees.

Responsible Bid means an offer, submitted by a responsible bidder in ink or typewritten form, to furnish supplies, equipment, or contractual services in conformity with the specifications, delivery terms and conditions, and other requirements included in the invitation for bids.

Responsible Bidder means a bidder who submits a responsible bid; who has furnished, when requested, information and data to prove that the financial resources, production or service facilities, service reputation and experience are adequate to make satisfactory delivery of the supplies, materials, equipment, or contractual service based on the bid; and who has not violated, attempted to violate, any provisions of these regulations.

Bidders' List means a current file of sources of supply of articles purchased for District use.

B. Competitive Bids


Purchases to be made on competitive bids - All purchases of and contracts for supplies, equipment, and contractual services in excess of \$10,000 shall be based on competitive bids.

Competitive bids to be solicited by public notice - If the amount of the purchase is estimated to exceed \$10,000, contract bids shall be solicited by public notice and written contracts.

Method and extent of notice - The method and extent of public notice soliciting contract bids shall be as prescribed by the Board of Directors. Said notice shall set forth the deadline for submission of bids to the District Secretary and the terms, conditions, and specifications of the proposed purchase.

Posting on bulletin board - Competitive bid purchases shall, in all cases, be advertised by posting a copy of the invitation for bids on a public bulletin board in or adjacent to the District Administrative Office.

Solicitation of bidders on bidders' list - The Fire Chief or his designee shall, in addition, solicit bids from prospective bidders on any pertinent District bidders' list by sending them copies of the invitation for bids.

Scotts Valley Fire Protection District	
POLICY: 1600	SUBJECT: Purchasing

Submission of bids - All bids shall be submitted sealed to the District Secretary on or before the deadline therefore.

Surety - If required by the Board of Directors, each bid shall be accompanied by surety in the form of a certified cashier's check or bid bond in such amount as shall be prescribed in the public notice inviting bids.

Bid opening - The Fire Chief or his designee shall open all bids in the presence of the District Secretary and other interested parties immediately after the deadline set for submission thereof. A tabulation of all bids received, whether accepted or rejected, shall be made by the District Secretary and shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.


Rejection of bid - The Board of Directors may reject any and all bids and may re-advertise for bids when it determines the public interest will be served thereby.

Award of contract for purchases - The contract shall be awarded by the Board of Directors to the lowest responsible bidder whose bid conforms to the invitation for bids.

Tie bids - In the case of a tie for lowest responsible bid, and if the public interest will not permit the delay of re-advertising for bids, the Board of Directors will award the contract to one of the bidders by drawing lots in public, or may make the purchase in the open market, provided the price paid in the open market shall not exceed the lowest contract bid price submitted.

Determining lowest responsible bidder - In determining the lowest responsible bidder, the Board of Directors shall take into consideration the quality offered and its conformity with the specifications, the delivery and discount terms and conditions of the bid, the service reputation of the bidder, and other information and data required to prove his responsibility.

Failure of successful bidder to enter contract - If the successful bidder does not enter into a contract within ten (10) days after mailing or personal delivery of notice of award of contract, the bidder shall forfeit in cash an amount equal to the amount of any surety which accompanied the bond, unless the District is responsible for the delay. The bidder shall also be liable for any cost in excess of the bid price which the District incurs in purchasing the commodities or services elsewhere.

Scotts Valley Fire Protection District	
POLICY: 1600	SUBJECT: Purchasing

Faithful performance bond - If the Board of Directors so requires, the successful bidder shall furnish surety in the form of a certified or cashier's check or bond for the faithful performance of the contract in the amount specified.

Approval, execution, and filing of contracts - All contract bid forms and all contracts shall be approved by the District counsel as to form and legality. Following such approval, all contracts shall be signed on behalf of the District by the President of the Board of Directors.

3. Open Market Purchases

A. *When open market purchases are authorized* - If the amount of the purchase is estimated to be \$10,000 or less, it shall be an open market purchase and shall not be subject to the competitive bidding requirements.

An open market purchase shall, wherever possible, be based on at least three price quotations, except for an open market purchase for less than \$5,000.

B. *Soliciting bids for open market purchases* - The Fire Chief shall solicit quotations by contacting parties on the pertinent bidders' list by posting a copy of an invitation for quotations on a public bulletin board in or adjacent to the District Administrative Office. The Fire Chief shall also contact others who, in his/her judgment, would be responsible suppliers.


C. *Submission, opening, tabulation* - Quotations shall be submitted to the Fire Chief. The District Secretary shall make a record of all written and telephoned quotations and such record shall be open to public inspection during regular business hours at least thirty (30) days after the date of the award of the contract.

D. *Award to open market bidder* - All open market purchases shall be awarded to the party making the lowest responsible quotation. However, price and quality being equal, preference may be given to responsible local bidders.

4. Suspension of Regulations

A. These regulations may be suspended by vote of four/fifths (4/5) of the Board of Directors upon the finding recorded in its minutes that competitive bidding or quotations would not be in the public interest.

B. In the case of an emergency, the Board of Directors may adopt a resolution by a four/fifths (4/5) vote of all the members declaring that the public interest and necessity demand immediate expenditure of public money to safeguard life,

Scotts Valley Fire Protection District	
POLICY: 1600	SUBJECT: Purchasing

health, or property. The Board of Directors may expend any sum required in the emergency without submitting such expenditure to bid.

5. Purchasing Policy - Miscellaneous

- A. *Unlawful purchases* - If an employee contracts for any supplies, materials, equipment or contractual services contrary to the purchasing policy, such purchases or contract shall be void and of no effect, and the cost shall not constitute a legal charge against the District.
- B. *Return of merchandise* - No supplies, materials or equipment shall be returned to the vendor for trade, credit, repair, or for any other reason without approval of the Fire Chief or his designee.
- C. *Budgeted items* - All line items that have been approved in the current budgets shall be deemed to have prior board approval for purchase. Items needed to be returned to the Board of Directors for action shall appear under "old business".
- D. *Non-budgeted items* - Non-budget services and repairs where bids and analysis have been completed shall come to the Board of Directors under "old business".

6. Exemptions

This policy shall not apply to purchases of:

- Legal Advertising
- Medical Equipment or Supplies
- Professional Services
- Insurance
- Public Utility Services
- Ordinary Travel Expenses