



Midpeninsula Regional  
Open Space District

R-20-49  
May 26, 2020

### AGENDA ITEM 3

#### AGENDA ITEM

Paper Usage Policy Update – Revised Information

#### GENERAL MANAGER'S RECOMMENDATIONS

1. Affirm the authorization of the specification of 100% recycled paper stock, when feasible, for high-quantity printing orders, including for brochure maps and the quarterly newsletter.
2. Update Board Policy 3.03 Section V.C, Purchase of Recycled Products to match Administrative Policy 4.03: “District staff shall purchase recycled products when the cost, suitability, and quality, taken together, provide the best outcome for the environment and best value for the public.”

#### SUMMARY

This item is returning to the Legislative, Funding, and Public Affairs Committee (LFPAC) following the discovery of typographical errors on the cost comparison attachment and to provide the opportunity to adjust the policy update language to be more in line with prior LFPAC discussion. The cost for increasing the use of 100% recycled paper stock is expected to be less than \$60,000 annually.

#### DISCUSSION

At its April 14, 2020 meeting, LFPAC members heard a presentation about the benefits of expanding the Midpeninsula Regional Open Space District’s use of 100% post-consumer waste (PCW), processed chlorine-free (PCF) recycled paper for high quantity printed publications (see Attachment 1). That presentation included an attachment that contained two errors.

A revised, corrected cost comparison (Attachment 2) shows that across four issues, the Views newsletter will cost an estimated 138% more to print on 100% recycled paper, assuming all other specifications remain the same. Due to the high page count (typically 14 printed pages) and high quantity (typically a 13,200 count), the newsletter uses substantially more paper, impacting the total cost for this particular publication given the added expense for 100% recycled paper stock. The revised Attachment 2 also shows a corrected aggregate percent increases of 65% for the sample printing project costs. Because the projects we expect to use recycled paper on represent less than the total printing budget, the total budgetary fiscal impact remains estimated at approximately \$59,000 per year (absent future increases), the General Manager continues to recommend authorizing 100% Post-Consumer Waste (PCW), Processed Chlorine Free (PCF)

recycled paper for high quantity publications, including the quarterly newsletter and brochure maps when time and budget permits.

The April 14, 2020 presentation also identified Board Policy 3.03 Section V.C, *Purchase of Recycled Products* as a barrier to using recycled or “green” products when they cost more than nonrecycled alternatives. At that time, the General Manager recommended adding an exception to that prohibition for recycled paper. Based on LFPAC discussion around revisiting that policy to make it easier to choose green alternatives when in the best interest of the District’s mission and the public, the General Manager would like to further update Board Policy 3.03 to better align it with Administrative Policy 4.03, which states: “District staff shall purchase recycled products when the cost, suitability, and quality, taken together, provide the best outcome for the environment and best value for the public.” Attachment 3 shows the requested update language.

### **FISCAL IMPACT**

Using higher recycled content paper will increase the printing budget by approximately 34%, which translates to an estimated \$60,000 per year given current practices. This increase may be offset in future years by a reduction in printed materials or as recycled content products continue to decrease in price. Printing budgets for future fiscal year will be adopted annually as a part of the annual Budget and Action Plan process. Switching to 100% recycled copier paper for in-house printing projects will also cost the District 34% more, amounting to an estimated \$1,500 more annually.

### **BOARD COMMITTEE REVIEW**

The Legislative, Funding, and Public Affairs Committee approved the General Manager’s original recommendations on April 14, 2020 (Attachment 4).

### **PUBLIC NOTICE**

Public notice was provided as required by the Brown Act.

### **CEQA COMPLIANCE**

This item is not a project subject to the California Environmental Quality Act.

### **NEXT STEPS**

If the Board approves, Board Policy 3.03 will be amended to read: “District staff shall purchase recycled products when the cost, suitability, and quality, taken together, provide the best outcome for the environment and best value for the public”, which will allow staff to begin specifying 100% post-consumer waste, processed chlorine-free paper for the quarterly newsletter and brochure maps, and other high quantity publications when time and budget allows.

#### **Attachments**

1. Committee Report for April 14, 2020 with original attachments
2. Corrected Cost Comparison of Paper Stock for Sample Print Projects
3. Board Policy 3.03, with proposed amendment

4. Legislative, Funding, and Public Affairs Committee Minutes of April 14, 2020

Responsible Department Head:  
Korrine Skinner, Public Affairs Manager

Prepared by:  
Korrine Skinner, Public Affairs Manager



Midpeninsula Regional  
Open Space District

## LEGISLATIVE, FUNDING, AND PUBLIC AFFAIRS COMMITTEE

R-20-36

April 14, 2020

### AGENDA ITEM 2

#### AGENDA ITEM

Paper Usage and Standards

#### GENERAL MANAGER'S RECOMMENDATIONS

Forward the following recommendations to the Board of Directors for approval:

1. Authorize the addition of a specific exemption in Board Policy 3.03 Section V.C. to allow the purchase of recycled paper stock when the cost is higher than nonrecycled products of similar fitness and quality.
2. Authorize the specification of 100% post-consumer waste (PCW), processed chlorine-free (PCF) recycled paper, when feasible, for high-quantity printing orders, including for brochure maps and the quarterly newsletter.

#### SUMMARY

Policy 3.03, Section V.C., *Purchase of Recycled Products* (Attachment 1) requires that Midpeninsula Regional Open Space District (District) staff purchase recycled products whenever such products are available at equal cost to non-recycled products and when fitness and quality are equal. In compliance with this policy, current recycled and “green” materials specifications for printing vendors are set based on costs, to ensure that costs for green products are comparable to non-recycled products. As such, current specifications focus on the use of soy-based inks and paper stock with minimum recycled content of 30% post-consumer waste. In June 2019, as part of an award of contract for printing and mailing services, the Board of Directors (Board) directed the General Manager to report back to the Board with information and recommendations for increasing the recycled content in the paper used. On April 14, the Legislative, Funding, and Public Affairs Committee will receive a presentation on the information gathered and recommendations for revisions to Policy 3.03 that will allow for expanded purchase and use of recycled paper content. The recommended changes would allow staff to specify 100% post-consumer waste (PCW), processed chlorine free (PCF) recycled paper for items printed in high quantity, such as brochure maps and the quarterly newsletter, when lead time permits and costs are no more than 50% higher than costs for 30% PCW paper stock.

#### DISCUSSION

While much of the information published by the District is in digital form and posted to the openspace.org website or printed on demand in-house, some materials, such as direct mail notifications, brochures, maps, and a quarterly newsletter are printed using outside vendors. As

routine and repetitive supplies and services, printing services in excess of \$50,000 are governed by Section IV. H of Board Policy 3.03. Qualified printing vendors are selected through competitive bidding procedures using District printing specifications and a sample set of representative projects. Vendor pricing is compared, and the lowest qualified bidders are awarded on-call, multi-year contracts to secure the best pricing and to assure continuity of service. Vendor performance is monitored with each project and documented to ensure expectations are met and pricing remains competitive.

In keeping with Environmental Protection Agency (EPA) Recovered Materials Advisory Notice (RMAN) recommendations, staff currently specifies the use of paper with a minimum of 30% PCW and the use of soy inks for projects printed by outside vendors.

Historically, 100% PCW paper has not been specified because of the significantly comparable higher cost in compliance with Board Policy 3.03 Section V.C., which states, “District staff shall purchase recycled products whenever such products are available *at equal cost* to non-recycled products and when fitness and quality are equal.”

### **Considerations for Higher Recycled Content Paper**

Board policy aside, using a higher percentage PCW paper provides environmental benefits that align with the District’s mission:

- **Recycled paper reduces demand for fresh (green) wood.**
  - For example, our current practice of printing our quarterly newsletter on 30% PCW paper saves 2.15 tons of fresh wood over nonrecycled paper per issue.<sup>1</sup> Changing the specs to print on 100% PCW paper could save an additional 4.14 tons of fresh wood per issue, or 16.56 tons of fresh wood annually (4 issues).
- **Producing recycled pulp uses less water and energy** during manufacturing because fibers have already been processed at least once.
  - In 30% PCW paper, this amounts to saving 1,000 gallons of water and 5.5 million BTUs of energy over nonrecycled paper; 100% PCW paper could save an additional 2,000 gallons of water and 10.1 million BTUs of energy per issue, or 8,000 gallons of water and 40.4 million BTUs of energy annually.<sup>1</sup>
- **Recycled paper reduces solid waste** by diverting usable paper from the waste stream.
  - With 30% PCW paper, 40 pounds of solid waste is diverted per issue; 100% PCW paper could save an additional 90 pounds of solid waste per issue, or 360 pounds per year.<sup>1</sup>
- **Recycled paper produces less greenhouse gas.**
  - Producing 30% PCW paper reduces CO<sub>2</sub> by 5,600 pounds per issue over nonrecycled paper; 100% PCW paper could reduce CO<sub>2</sub> by an additional 10,500 pounds, or 42,000 pounds of CO<sub>2</sub> per year.<sup>1</sup>

These environmental benefits do come at an increased cost. While prices for recycled content paper have dropped significantly in recent years, they remain higher than virgin paper. To evaluate the cost implications of increasing to 100% PCW paper, staff requested comparison options for typical print projects from current on-call printing vendors. Attachment 2 shows that using 100% versus 30% PCW paper from the same manufacturer would increase costs by 34% on average. Calculated over the course of a year, this change is estimated to increase printing costs up to \$60,000.

Due to advances in technology and processes, 30% PCW recycled paper with the same brilliance and print performance as virgin (nonrecycled) paper is readily available. For paper stocks with recycled content above 30% PCW, brilliance and performance is also comparable to virgin paper, however, the significantly higher cost does limit the widespread availability of papers with higher than 30% PCW recycled content, requiring lead time for special orders given that these products are in much less demand on the open market. According to our vendors, typical recycled paper that can be more readily sourced are those with recycled content of 10%, 30% and 100% PCW. Initial research has shown our current printing vendors can source 100% PCW options that are comparable to the 30% PCW paper stocks we currently use for brochure maps and the quarterly newsletter. As a special-order product, the 100% PCW stock requires an additional seven to 10 days lead time, which can be accommodated by adjusting our publication process to order in advance.

**Other agency paper use policies**

Staff reached out to partner agencies, including Santa Clara County Parks, San Mateo County Parks, Santa Clara Valley Open Space Authority, East Bay Regional Park District, and Peninsula Open Space Trust to inquire about their current paper usage, any existing policies or guidelines that specify recycled content minimums for printing projects, or other environmental specifications. Most other agencies do not have *policies* regarding recycled paper content, instead making it a best practice to incorporate paper selection that meets budget and project requirements.

<b>Agency</b>	<b>Policy or Guidelines</b>	<b>PCW Content</b>	<b>Soy-based Inks</b>	<b>FSC* Required</b>
Santa Clara County Parks	No	30%-100%	Yes	Yes
San Mateo County Parks	Yes	30%	Yes	Yes
Open Space Authority	No	30%-100%	Yes	No
East Bay Parks	No	30%-100%	Yes	Yes
POST	No	30%	Yes	No
<b>District (Midpen)</b>	<b>Yes</b>	<b>30%</b>	<b>Yes</b>	<b>Yes</b>

*\*Meets Forest Stewardship Council standards to make sure that forestry is practiced in an environmentally responsible and socially beneficial manner.*

While the District does not do enough printing to impact the market for 100% PCW stock alone, a shift in our specifications could potentially play a small part in a larger effort to create a sustained market for higher recycled content paper products.

**Environmental processing and chemical use**

Most paper must be bleached to give it the white look preferred for color and image quality. According to the California Department of Resources Recycling and Recovery ([CalRecycle](#)), traditional bleaching processes involve chlorine or its derivatives, which can be harmful to the environment, particularly aquatic environments. Many manufacturers offer paper that is processed chlorine-free (PCF), using alternate technologies such as oxygen, ozone, or hydrogen peroxide. Additional research on this specification found PCF processing to be most common with 100% PCW paper. Currently, the District does not specify PCF as a requirement, yet if the District were to specify 100% PCW with printed projects, it is recommended to require the paper be PCF as well.

### **Local versus Non-local Vendors**

Beyond recycled content, the distance paper stock and printed paper materials travel also adds environmental impacts to printing projects. Historically, the District has considered distance in selecting printing vendors only in that firms submitting bid proposals are required to have a quick turnaround time and the ability to respond to urgent project requests. Our current on-call vendors meet this requirement: *Advantage* prints out of Utah, but has a local Santa Clara office, and *GSL* prints out of Sacramento. The printing industry has consolidated significantly and District print vendor requests for proposal qualifications often receive interest from national, as well as international firms, and sometimes those firms have local offices. The District purchasing policy does not currently incorporate a local preference consideration, in part because such a policy would need to include specific findings for legal compliance. Local preference purchasing rules for certain types of purchases could be researched further at the Board's direction.

To continue to support green initiatives, the General Manager recommends the District continue prioritizing environmentally friendly materials, including FSC-certified paper and use of soy-based inks. The additional cost of recycled paper that is processed chlorine-free is a reasonable tradeoff to promote the District's sustainability goals and the Board-adopted Climate Action Plan. The General Manager requests the Committee consider the following options and recommends both Option #2 and Option #3, to forward to the Board for further approval.

#### **OPTION 1 – No Change**

Continue current District printing specifications: minimum 30% PCW and use of soy-based inks.

#### **OPTION 2 Recommended – Policy Exemption**

Authorize the addition of a specific exemption in Board Policy 3.03 Section V.C, Purchase of Recycled Products to allow the purchase of recycled paper stock when the cost is higher than nonrecycled products of similar fitness and quality.

#### **OPTION 3 Recommended – 100% PCW and PCF Recycled Paper for Bulk Printing**

Authorize the specification of 100% post-consumer waste (PCW), processed chlorine-free (PCF) recycled paper for brochure maps, the quarterly newsletter, and other high-quantity publications when budget and turnaround time allow.

In researching current recycled paper industry trends, staff also conducted a price comparison on paper stocks used in our in-house copiers, evaluating currently used nonrecycled paper to 30% and 100% recycled paper. It was found there would be a modest increase of \$1,500 per year to switch from the current nonrecycled paper to 100% recycled paper, so the General Manager has implemented this change. Additionally, staff will continue to look for ways to support the reduction of paper usage, whenever possible, through initiatives like encouraging preserve visitors to reuse brochure maps, use digital maps like GeoPDFs, and snapshots of displayed maps or smartphone trail guide applications like OuterSpatial.

### **FISCAL IMPACT**

Using higher recycled content paper will increase the printing budget by approximately 34%, which translates to an estimated \$60,000 per year given current practices. This increase may be offset in future years by a reduction in printed materials or as recycled content products continue to decrease in price. Printing budgets for future fiscal year will be adopted annually as a part of

the annual Budget and Action Plan process. Switching to 100% recycled copier paper for in-house printing projects will also cost the District 34% more, amounting to an estimated \$1,500 more annually.

**PUBLIC NOTICE**

Public notice was provided as required by the Brown Act.

**CEQA COMPLIANCE**

This item is not a project subject to the California Environmental Quality Act.

**NEXT STEPS**

If approved by the Legislative, Funding, and Public Affairs Committee, the recommendation will be forwarded to the full Board for review and approval.

Responsible Department Head:  
Korrine Skinner, Public Affairs Manager

Prepared by:  
Korrine Skinner, Public Affairs Manager

**ATTACHMENTS**

1. Board Policy 3.03
2. Cost Comparison of Paper Stock for Example Print Projects

References:

1. Per printing industry standard comparison data provided in vendor quotes.



# Midpeninsula Regional Open Space District

## Board Policy Manual

<b>Public Contract Bidding, Vendor and Professional Consultant Selection, and Purchasing Policy</b>	<b>Policy 3.03 Chapter 3 – Fiscal Management</b>
Effective Date: 7/24/02	Revised Date: 01/24/18
Prior Versions: 12/16/09, 1/27/10, 9/23/15	

### Purpose

The purpose of this policy is to ensure that the District obtains quality services, supplies, material and labor at the lowest possible cost, and to provide a uniform method for procurement of services and supplies. In addition, through proper documentation, conformance to this Policy will enable the District's constituents to know that their public funds are being spent responsibly, and potential vendors and contractors to know that they are being treated equitably.

### Policy

#### I. PURCHASING AUTHORITY

There are three levels of authority for purchases: Board Approval, General Manager Approval and General Manager Delegated Approval. The maximum purchasing authority amounts refer to the total price of an order, including tax and/or shipping, which may include more than one item and also includes change orders and contract amendments. As used in this Policy, the term “purchasing” refers collectively to contracting or procurement of services, supplies, material or labor, including Capital Improvements.

##### A. Board Approval for Purchases In Excess of \$50,000

If the cost for furnishing services, supplies, materials, labor, or other valuable consideration to the District will exceed Fifty Thousand Dollars (\$50,000), approval from the Board of Directors is required prior to entering into the contract.

The Board may reject all bids and re-advertise, or by a five-sevenths vote may elect to purchase the materials or supplies in the open market, or to construct a building, structure, or improvement using District personnel.

#### 1. Signature

Contracts which have been approved by the Board shall be signed by the General Manager or designee, unless the Board has directed that the President sign on behalf of the District. The District Clerk shall sign all such contracts and affix the seal of the District.

## **B. General Manager Approval for Purchases Not Exceeding \$50,000**

Pursuant to Public Resources Code 5549, the General Manager may obtain bids without advertisement or published notice inviting bids and may authorize and execute contracts for payment for services, supplies, material, labor, or other valuable consideration for any purpose, including the new construction of any building, structure, or improvement, in an amount not exceeding \$50,000. Such expenditures shall be reported to the Board of Directors at its next regular meeting, and may be reported on the Board's Claims List.

### **1. Administrative Purchasing Policy/Procedure**

The General Manager shall issue an Administrative Purchasing Policy/Procedure, which provides appropriate guidance to staff to ensure that all District purchases are made in accordance with this Policy and required documentation procedures are followed.

The General Manager shall issue written delegation of purchasing authority to those job classifications whose duties include making purchases within his or her area of responsibility. Purchasing authority limits shall be consistent with this Policy. Such written delegation of purchasing authority shall include the authority to execute contracts, purchase orders, and other documents necessary to approve a purchase within the employee's purchasing authority.

## **C. Contract Change Orders**

Staff may issue change orders to a contract, provided that the aggregate of all change orders to that contract does not exceed fifteen percent (15%) of the original contract price. A larger contingency may be authorized, based on unusual circumstances. Change orders shall not exceed the total contract amount approved by the Board, General Manager or other District employee as authorized by this Policy, including any contingency amount. Any expenditure beyond the originally approved contract and contingency amount shall be approved by the party authorized at that expenditure level under this Policy.

## **II. SOLICITATION OF BIDS**

### **A. Solicitation of Formal Advertised Bids for Expenditures Exceeding \$50,000**

When any expenditure for projects, excluding Professional services, is expected to exceed \$50,000, the District shall conduct a formal bidding process pursuant to Public Resources Code section 5594.

This type of formal bidding process typically includes the issuance of written plans or specifications describing the goods or services to be provided and the receipt of written bids from the bidders involved. Staff shall attempt to solicit formal bids from a minimum of three bidders. Following Board approval, the contract shall then be executed by the General Manager or designee, unless the Board President's signature is required. The Contract shall be awarded to the lowest responsible, responsive bidder, except as otherwise provided in this Policy.

**B. Solicitation of Three Written Bids for Expenditures Exceeding \$25,000 but Not Exceeding \$50,000**

When any expenditure is expected to exceed \$25,000, but not exceed \$50,000, the District shall solicit written proposals from a minimum of three (3) bidders. The General Manager's or designee's approval of the contract or purchase order is required as applicable under this Policy.

**C. Solicitation of Three Quotes or Proposals for Expenditures Exceeding \$5,000 but Not Exceeding \$25,000**

When any expenditure is expected to exceed \$5,000, but not exceed \$25,000, the staff member responsible for the purchase is to solicit a minimum of three (3) quotes or proposals to provide the goods or services. Such quotes shall be documented in writing pursuant to the Administrative Purchasing Policy/Procedure.

**D. Expenditures Not Exceeding \$5,000**

Staff members shall obtain competitive cost information, whenever feasible, for any District purchase even though formal cost quotations are not required for goods or services costing \$5,000 or less.

**III. Professional Services**

Professional consultant services are of a technical and professional nature, and, due to the nature of the services to be provided, do not readily fall within the "low bid" competitive bidding process. In addition, State law requires that selection of professional consultants in the categories of architects, landscape architects, engineers, surveyors, construction managers, and environmental consulting be made on the basis of demonstrated competence and the professional qualifications necessary for the satisfactory performance of the required services. Professional consultants should be individually selected for a specific project or problem with the objective of selecting the most qualified consultant at a price that is fair and reasonable. Professional services agreements shall include the full scope of anticipated services for the project, program or annual service agreements and shall not be split into smaller units for the purpose of circumvention of this Policy and the required purchasing procedures.

**A. Selection Procedures for Professional Services in Excess of \$50,000**

When the cost for professional services is expected to be in excess of \$50,000, the District shall prepare a Request for Qualifications (RFQ) outlining the professional's qualifications, relevant experience, staffing and support and hourly rates. This information becomes the basis for negotiating a contract or a Request for Proposal (RFP) outlining the terms, conditions and specifications of the services required by the District. The District may also prepare, as an alternative, a Request for Qualifications and Proposal, combining the required elements of the RFQ and the RFP described above. A minimum of three (3) qualified firms or individuals shall be invited to submit qualifications and/or proposals.

District staff will review the proposals received, will select the most qualified firms for interviews, and will rank the consultants based upon criteria including but not limited to the following:

- i. Ability of the consultants to perform the specific tasks outlined in the RFP/RFQ.
- ii. Qualifications of the specific individuals who will work on the project.
- iii. Amount and quality of time key personnel will be involved in their respective portions of the project.
- iv. Reasonableness of the fee requested to do the work; comparability of fee to similar services offered by other qualified consultants.
- v. Demonstrated record of success by the consultant on work previously performed for the District or for other public agencies or enterprises.
- vi. The specific method and techniques to be employed by the consultant on the project or problem.
- vii. Ability of the consultant to provide appropriate insurance in adequate amounts, including errors and omissions if applicable.

For the categories of architects, landscape architects, engineers, surveyors, construction managers, and environmental consultants, initial selection of the most qualified and competent consultants shall not include the cost criteria listed in Section III.A. of this Policy. After staff has determined the most qualified and competent consultants, this cost criteria shall be considered in negotiating a professional services agreement with the selected consultant.

**B. Selection Procedures for Professional Services in Excess of \$10,000 but Not Exceeding \$50,000**

District staff shall solicit written proposals from a minimum of three (3) qualified consultants. A formal RFP/ RFQ is not required. The selection shall be based upon the criteria noted in Section III.A.. The General Manager or designee may approve the selection and execute the agreement.

**C. Selection Procedures for Professional Services in Not Exceeding \$10,000**

District staff shall maintain current files on qualified consultants in appropriate categories. The department shall, by telephone, email, or letter, contact at least three (3) qualified consultants and request them to submit a proposal either orally or in writing. Oral proposals shall be memorialized in writing, pursuant to the Administrative Purchasing Policy/Procedure. The selection shall be based upon the criteria noted in Section III.A. and per the Administrative Purchasing Procedure. The authorized Department Manager or other authorized District employee may approve the selection and execute the agreement.

**D. Renewal of Contracts with Professional Consultants**

The District may, at its sole discretion, and after following required consultant selection procedures, enter into consultant agreements which contain provisions authorizing their extension or renewal. However, recommendations to extend or renew an existing contract with

a professional consultant should include an annual written evaluation of the work performed by the consultant as well as a determination that the fees being charged are comparable to similar services offered by other consultants at the time of renewal or extension. If the total amount of the original and renewed contract in any one fiscal year does not exceed \$50,000, the General Manager or designee may execute the agreement. If the total amount exceeds \$50,000, the request must be approved by the Board.

#### **E. Conflict of Law**

These procedures are not applicable where superseded by local, state or federal law, where the terms of grant funding provide for the use of other consultant selection procedures, or where the District is obligated to select consultants through the use of different procedures, such as due to the requirements of an insurance or self-insurance program.

#### **F. Special Circumstances**

These procedures are not applicable when three (3) bids or proposals are unavailable, or if it is appropriate and in the best interest of the District under the specific circumstances, to limit the number of bids or proposals solicited. The basis for such action shall be documented in writing and approved by the General Manager or designee in his/her absence. When Board approval is required, the documented basis for such action shall be included in the report to the Board.

#### **G. Prequalified Consultant File**

When, after District staff has undertaken the selection procedures as set out in this Policy and determined that a consultant is qualified and competent in the performance of the professional services in the consultant's category, District staff may maintain a current file of such consultants in their appropriate categories. For a period of four (4) years from determination of the qualification of such consultant, District staff may select such a prequalified consultant from the current file of prequalified consultants for the performance of professional services.

### **IV. EXCEPTIONS TO STANDARD PURCHASING PROCEDURES**

#### **A. Emergency Conditions**

An emergency is defined as a breakdown in machinery or equipment or a natural disaster resulting in the inability of the District to provide services, or a threat to public health, safety, or welfare, including, but not limited to, threatened damage to natural resources. In the case of an emergency determined by the District, or federal, state, or other local jurisdictions requiring an immediate purchase, the General Manager or designee may authorize District staff to secure in the open market, at the lowest obtainable price, any services, supplies, material or labor required to respond to the emergency, regardless of the amount of the expenditure. The General Manager shall, as soon as possible, provide a full written explanation of the circumstances to the Board.

In the case of a disaster or for civil defense, nothing contained in this Policy shall limit the authority of the General Manager to make purchases and take such other emergency steps as are, or may be, authorized by the Board.

#### **B. Limited Availability/Sole Source**

Occasionally, necessary supplies, materials, equipment, or services are of a unique type, are of a proprietary nature, or are otherwise of such a required and specific design or construction, or are for purposes of maintaining consistency and operational efficiency, so as to be available from only one source. After reasonable efforts to find alternative suppliers, the District may dispense with the requirement of competitive bids and recommend negotiating and making the purchase from the sole source. The basis for the sole source recommendation shall be documented in writing and approved, in advance, by the Board for purchases exceeding \$50,000, and the General Manager or other authorized District employee, for purchases not exceeding \$50,000.

#### **C. Cooperative Purchasing**

The District shall have the authority to join in cooperative purchasing agreements with other public agencies, (e.g., the State of California, counties, cities, schools, or other special districts), to purchase goods or services at a price established by that agency through a competitive bidding process. The General Manager or designee may authorize and execute such cooperative purchasing agreements.

##### **1. Purchases Exceeding \$50,000**

The formal competitive bidding procedures of Section II.A. for purchases exceeding \$50,000 are not required when the other public agency has secured a price through a formal, advertised competitive bidding process. Board approval is required prior to purchase.

##### **2. Purchases Not Exceeding \$50,000**

The bidding procedures of Section II. B. for purchases not exceeding \$50,000 are not required when the other public agency has secured a price through a competitive bidding process. Approval from the General Manager or designee is required prior to purchase.

#### **H. Open Purchase Orders for Routine and Repetitive Supplies and Services**

Open purchase orders may be entered into with vendors who are expected to supply routine services, supplies, materials or labor to the District on a regular basis throughout the fiscal year (such as gasoline, discing, road maintenance, vehicle maintenance, printing, office supplies and field hardware). Open purchase orders shall be closed at the conclusion of each fiscal year. Vendors of repetitive supplies and services shall be selected through the competitive bidding procedures set out in Section II, based upon the anticipated or budgeted cumulative cost of the supply or service. Where competitive bidding procedures cannot feasibly be used, a comparison of vendors' prices will be made and staff will provide written documentation of the price

quotations used to select the vendor with the lowest cost, pursuant to the Administrative Purchasing Policy/Procedure. Multi-year contracts can be entered into only when appropriate and necessary to secure the best pricing or assure continuity of service. An annual review of the services and prices provided shall be documented by District staff to assure that the vendor is meeting the District's needs and expectations and remains at a competitive price. Whenever feasible, multi-year contracts for service or supplies shall provide that the option to renew or extend the contract is at the District's sole discretion.

### **I. Design Build Contracts**

Pursuant to Public Resources Code section 5580, upon approval by the Board, the design-build process (Public Contract Code sections 22160-22169) may be used to assign contracts for the construction of facilities or other buildings in the district. The minimum project limitation of one million dollars for design build projects set forth in the Public Contract Code does not apply to District design-build projects.

A Conflict of Interest Policy for design-build contracts required by Public Contract Code section 22162 is included in the Design-Build Contracts - Conflicts of Interest (Board Policy 6.09).

## **V. GENERAL PROVISIONS**

### **A. Conflict of Interest**

No District employee or official shall be financially interested, directly or indirectly, in any purchase, contract, sale, or transaction to which the District is a party and which comes before said official or employee for recommendation or action. Any purchase, contract, sale, or transaction in which any employee or official is or becomes financially interested shall become void at the election of the District. No employee or official shall realize any personal gain from any purchase, contract, sale, or transaction involving the District. More information can be found in Board Policy 6.02 – Conflict of Interest Code.

### **B. Credit Cards**

The General Manager may approve the use of District credit cards for District purchases by authorized employees. Employees utilizing a credit card shall not exceed his/her purchasing authority, as authorized in this Policy and as delegated by the General Manager, unless prior approval is given by a supervisor with the appropriate purchasing authority. All card holders must follow the credit card procedures outlined in the Administrative Purchasing Policy/Procedure. District credit cards shall not be issued to individual members of the District Board of Directors.

### **C. Purchase of Recycled Products**

District staff shall purchase recycled products whenever such products are available at equal cost to non-recycled products and when fitness and quality are equal, except for the purchase of recycled paper stock.

**D. Violations of This Policy**

Employees are subject to disciplinary action up to and including termination for violation of this Policy.



**Attachment 2** – Comparison of average printing quotes from current print vendors on 30% PCW paper and 100% PCW paper.

<b>Printing Project</b>	<b>Quantity</b>	<b>Average Quote for 30% PCW</b>	<b>Average Quote for 100% PCW</b>	<b>% increase</b>
Budget Book	55	\$1,521	\$1,967	29%
Budget in Brief brochure	300	\$375	\$510	36%
El Corte de Madera Creek Brochure Map	2,000	\$1,512	\$1,706	13%
Long Ridge/Saratoga Gap Brochure Map	5,000	\$1,771	\$2,026	14%
Los Trancos Brochure Map	3,000	\$1,899	\$2,176	15%
Windy Hill Brochure Map	4,000	\$1,670	\$1,905	14%
Open Space Views Newsletter (4 issues)	52,800	\$22,536	\$53,540	238%
District Fact Sheet	1,000	\$339	\$471	39%
Fremont Older Brochure Map	5,000	\$3,378	\$4,017	19%
Mount Umunhum Brochure	6,000	\$3,230	\$3,784	17%
Picchetti Ranch Brochure Map	5,000	\$3,378	\$4,017	19%
Pulgas Ridge Brochure Map	5,000	\$3,378	\$4,017	19%
Rancho San Antonio Brochure Map	8,000	\$3,801	\$4,569	20%
Sierra Azul Brochure Map	6,000	\$3,143	\$3,697	18%
El Corte de Madera Creek Brochure Map	5,000	\$2,010	\$2,299	14%
Purisima Creek Brochure Map	9,000	\$3,027	\$3,485	15%
<b>Total</b>		<b>\$56968</b>	<b>\$94,186</b>	<b>34%</b>

**Attachment 2** – Comparison of average printing quotes from current print vendors on 30% PCW paper and 100% PCW paper for a sample of typical District printing projects.

Printing Project	Quantity	Average Quote for 30% PCW	Average Quote for 100% PCW	% Increase
Budget Book	55	\$1,521	\$1,967	29%
Budget in Brief brochure	300	\$375	\$510	36%
El Corte de Madera Creek Brochure Map	2,000	\$1,512	\$1,706	13%
Long Ridge/Saratoga Gap Brochure Map	5,000	\$1,771	\$2,026	14%
Los Trancos Brochure Map	3,000	\$1,899	\$2,176	15%
Windy Hill Brochure Map	4,000	\$1,670	\$1,905	14%
Open Space Views Newsletter (4 issues)	52,800	\$22,536	\$53,540	<b>138%</b>
District Fact Sheet	1,000	\$339	\$471	39%
Fremont Older Brochure Map	5,000	\$3,378	\$4,017	19%
Mount Umunhum Brochure	6,000	\$3,230	\$3,784	17%
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Pulgas Ridge Brochure Map	5,000	\$3,378	\$4,017	19%
Rancho San Antonio Brochure Map	8,000	\$3,801	\$4,569	20%
Sierra Azul Brochure Map	6,000	\$3,143	\$3,697	18%
El Corte de Madera Creek Brochure Map	5,000	\$2,010	\$2,299	14%
Purisima Creek Brochure Map	9,000	\$3,027	\$3,485	15%
<b>Total</b>		<b>\$56,968</b>	<b>\$94,186</b>	<b>65%</b>

# Midpeninsula Regional Open Space District

## Board Policy Manual

<b>Public Contract Bidding, Vendor and Professional Consultant Selection, and Purchasing Policy</b>	<b>Policy 3.03 Chapter 3 – Fiscal Management</b>
Effective Date: 7/24/02	Revised Date: 01/24/18
Prior Versions: 12/16/09, 1/27/10, 9/23/15	

### Purpose

The purpose of this policy is to ensure that the District obtains quality services, supplies, material and labor at the lowest possible cost, and to provide a uniform method for procurement of services and supplies. In addition, through proper documentation, conformance to this Policy will enable the District's constituents to know that their public funds are being spent responsibly, and potential vendors and contractors to know that they are being treated equitably.

### Policy

#### I. PURCHASING AUTHORITY

There are three levels of authority for purchases: Board Approval, General Manager Approval and General Manager Delegated Approval. The maximum purchasing authority amounts refer to the total price of an order, including tax and/or shipping, which may include more than one item and also includes change orders and contract amendments. As used in this Policy, the term “purchasing” refers collectively to contracting or procurement of services, supplies, material or labor, including Capital Improvements.

##### A. Board Approval for Purchases In Excess of \$50,000

If the cost for furnishing services, supplies, materials, labor, or other valuable consideration to the District will exceed Fifty Thousand Dollars (\$50,000), approval from the Board of Directors is required prior to entering into the contract.

The Board may reject all bids and re-advertise, or by a five-sevenths vote may elect to purchase the materials or supplies in the open market, or to construct a building, structure, or improvement using District personnel.

#### 1. Signature

Contracts which have been approved by the Board shall be signed by the General Manager or designee, unless the Board has directed that the President sign on behalf of the District. The District Clerk shall sign all such contracts and affix the seal of the District.

## **B. General Manager Approval for Purchases Not Exceeding \$50,000**

Pursuant to Public Resources Code 5549, the General Manager may obtain bids without advertisement or published notice inviting bids and may authorize and execute contracts for payment for services, supplies, material, labor, or other valuable consideration for any purpose, including the new construction of any building, structure, or improvement, in an amount not exceeding \$50,000. Such expenditures shall be reported to the Board of Directors at its next regular meeting, and may be reported on the Board's Claims List.

### **1. Administrative Purchasing Policy/Procedure**

The General Manager shall issue an Administrative Purchasing Policy/Procedure, which provides appropriate guidance to staff to ensure that all District purchases are made in accordance with this Policy and required documentation procedures are followed.

The General Manager shall issue written delegation of purchasing authority to those job classifications whose duties include making purchases within his or her area of responsibility. Purchasing authority limits shall be consistent with this Policy. Such written delegation of purchasing authority shall include the authority to execute contracts, purchase orders, and other documents necessary to approve a purchase within the employee's purchasing authority.

## **C. Contract Change Orders**

Staff may issue change orders to a contract, provided that the aggregate of all change orders to that contract does not exceed fifteen percent (15%) of the original contract price. A larger contingency may be authorized, based on unusual circumstances. Change orders shall not exceed the total contract amount approved by the Board, General Manager or other District employee as authorized by this Policy, including any contingency amount. Any expenditure beyond the originally approved contract and contingency amount shall be approved by the party authorized at that expenditure level under this Policy.

## **II. SOLICITATION OF BIDS**

### **A. Solicitation of Formal Advertised Bids for Expenditures Exceeding \$50,000**

When any expenditure for projects, excluding Professional services, is expected to exceed \$50,000, the District shall conduct a formal bidding process pursuant to Public Resources Code section 5594.

This type of formal bidding process typically includes the issuance of written plans or specifications describing the goods or services to be provided and the receipt of written bids from the bidders involved. Staff shall attempt to solicit formal bids from a minimum of three bidders. Following Board approval, the contract shall then be executed by the General Manager or designee, unless the Board President's signature is required. The Contract shall be awarded to the lowest responsible, responsive bidder, except as otherwise provided in this Policy.

**B. Solicitation of Three Written Bids for Expenditures Exceeding \$25,000 but Not Exceeding \$50,000**

When any expenditure is expected to exceed \$25,000, but not exceed \$50,000, the District shall solicit written proposals from a minimum of three (3) bidders. The General Manager's or designee's approval of the contract or purchase order is required as applicable under this Policy.

**C. Solicitation of Three Quotes or Proposals for Expenditures Exceeding \$5,000 but Not Exceeding \$25,000**

When any expenditure is expected to exceed \$5,000, but not exceed \$25,000, the staff member responsible for the purchase is to solicit a minimum of three (3) quotes or proposals to provide the goods or services. Such quotes shall be documented in writing pursuant to the Administrative Purchasing Policy/Procedure.

**D. Expenditures Not Exceeding \$5,000**

Staff members shall obtain competitive cost information, whenever feasible, for any District purchase even though formal cost quotations are not required for goods or services costing \$5,000 or less.

**III. Professional Services**

Professional consultant services are of a technical and professional nature, and, due to the nature of the services to be provided, do not readily fall within the "low bid" competitive bidding process. In addition, State law requires that selection of professional consultants in the categories of architects, landscape architects, engineers, surveyors, construction managers, and environmental consulting be made on the basis of demonstrated competence and the professional qualifications necessary for the satisfactory performance of the required services. Professional consultants should be individually selected for a specific project or problem with the objective of selecting the most qualified consultant at a price that is fair and reasonable. Professional services agreements shall include the full scope of anticipated services for the project, program or annual service agreements and shall not be split into smaller units for the purpose of circumvention of this Policy and the required purchasing procedures.

**A. Selection Procedures for Professional Services in Excess of \$50,000**

When the cost for professional services is expected to be in excess of \$50,000, the District shall prepare a Request for Qualifications (RFQ) outlining the professional's qualifications, relevant experience, staffing and support and hourly rates. This information becomes the basis for negotiating a contract or a Request for Proposal (RFP) outlining the terms, conditions and specifications of the services required by the District. The District may also prepare, as an alternative, a Request for Qualifications and Proposal, combining the required elements of the RFQ and the RFP described above. A minimum of three (3) qualified firms or individuals shall be invited to submit qualifications and/or proposals.

District staff will review the proposals received, will select the most qualified firms for interviews, and will rank the consultants based upon criteria including but not limited to the following:

- i. Ability of the consultants to perform the specific tasks outlined in the RFP/RFQ.
- ii. Qualifications of the specific individuals who will work on the project.
- iii. Amount and quality of time key personnel will be involved in their respective portions of the project.
- iv. Reasonableness of the fee requested to do the work; comparability of fee to similar services offered by other qualified consultants.
- v. Demonstrated record of success by the consultant on work previously performed for the District or for other public agencies or enterprises.
- vi. The specific method and techniques to be employed by the consultant on the project or problem.
- vii. Ability of the consultant to provide appropriate insurance in adequate amounts, including errors and omissions if applicable.

For the categories of architects, landscape architects, engineers, surveyors, construction managers, and environmental consultants, initial selection of the most qualified and competent consultants shall not include the cost criteria listed in Section III.A. of this Policy. After staff has determined the most qualified and competent consultants, this cost criteria shall be considered in negotiating a professional services agreement with the selected consultant.

**B. Selection Procedures for Professional Services in Excess of \$10,000 but Not Exceeding \$50,000**

District staff shall solicit written proposals from a minimum of three (3) qualified consultants. A formal RFP/ RFQ is not required. The selection shall be based upon the criteria noted in Section III.A.. The General Manager or designee may approve the selection and execute the agreement.

**C. Selection Procedures for Professional Services in Not Exceeding \$10,000**

District staff shall maintain current files on qualified consultants in appropriate categories. The department shall, by telephone, email, or letter, contact at least three (3) qualified consultants and request them to submit a proposal either orally or in writing. Oral proposals shall be memorialized in writing, pursuant to the Administrative Purchasing Policy/Procedure. The selection shall be based upon the criteria noted in Section III.A. and per the Administrative Purchasing Procedure. The authorized Department Manager or other authorized District employee may approve the selection and execute the agreement.

**D. Renewal of Contracts with Professional Consultants**

The District may, at its sole discretion, and after following required consultant selection procedures, enter into consultant agreements which contain provisions authorizing their extension or renewal. However, recommendations to extend or renew an existing contract with

a professional consultant should include an annual written evaluation of the work performed by the consultant as well as a determination that the fees being charged are comparable to similar services offered by other consultants at the time of renewal or extension. If the total amount of the original and renewed contract in any one fiscal year does not exceed \$50,000, the General Manager or designee may execute the agreement. If the total amount exceeds \$50,000, the request must be approved by the Board.

#### **E. Conflict of Law**

These procedures are not applicable where superseded by local, state or federal law, where the terms of grant funding provide for the use of other consultant selection procedures, or where the District is obligated to select consultants through the use of different procedures, such as due to the requirements of an insurance or self-insurance program.

#### **F. Special Circumstances**

These procedures are not applicable when three (3) bids or proposals are unavailable, or if it is appropriate and in the best interest of the District under the specific circumstances, to limit the number of bids or proposals solicited. The basis for such action shall be documented in writing and approved by the General Manager or designee in his/her absence. When Board approval is required, the documented basis for such action shall be included in the report to the Board.

#### **G. Prequalified Consultant File**

When, after District staff has undertaken the selection procedures as set out in this Policy and determined that a consultant is qualified and competent in the performance of the professional services in the consultant's category, District staff may maintain a current file of such consultants in their appropriate categories. For a period of four (4) years from determination of the qualification of such consultant, District staff may select such a prequalified consultant from the current file of prequalified consultants for the performance of professional services.

### **IV. EXCEPTIONS TO STANDARD PURCHASING PROCEDURES**

#### **A. Emergency Conditions**

An emergency is defined as a breakdown in machinery or equipment or a natural disaster resulting in the inability of the District to provide services, or a threat to public health, safety, or welfare, including, but not limited to, threatened damage to natural resources. In the case of an emergency determined by the District, or federal, state, or other local jurisdictions requiring an immediate purchase, the General Manager or designee may authorize District staff to secure in the open market, at the lowest obtainable price, any services, supplies, material or labor required to respond to the emergency, regardless of the amount of the expenditure. The General Manager shall, as soon as possible, provide a full written explanation of the circumstances to the Board.

In the case of a disaster or for civil defense, nothing contained in this Policy shall limit the authority of the General Manager to make purchases and take such other emergency steps as are, or may be, authorized by the Board.

#### **B. Limited Availability/Sole Source**

Occasionally, necessary supplies, materials, equipment, or services are of a unique type, are of a proprietary nature, or are otherwise of such a required and specific design or construction, or are for purposes of maintaining consistency and operational efficiency, so as to be available from only one source. After reasonable efforts to find alternative suppliers, the District may dispense with the requirement of competitive bids and recommend negotiating and making the purchase from the sole source. The basis for the sole source recommendation shall be documented in writing and approved, in advance, by the Board for purchases exceeding \$50,000, and the General Manager or other authorized District employee, for purchases not exceeding \$50,000.

#### **C. Cooperative Purchasing**

The District shall have the authority to join in cooperative purchasing agreements with other public agencies, (e.g., the State of California, counties, cities, schools, or other special districts), to purchase goods or services at a price established by that agency through a competitive bidding process. The General Manager or designee may authorize and execute such cooperative purchasing agreements.

##### **1. Purchases Exceeding \$50,000**

The formal competitive bidding procedures of Section II.A. for purchases exceeding \$50,000 are not required when the other public agency has secured a price through a formal, advertised competitive bidding process. Board approval is required prior to purchase.

##### **2. Purchases Not Exceeding \$50,000**

The bidding procedures of Section II. B. for purchases not exceeding \$50,000 are not required when the other public agency has secured a price through a competitive bidding process. Approval from the General Manager or designee is required prior to purchase.

#### **H. Open Purchase Orders for Routine and Repetitive Supplies and Services**

Open purchase orders may be entered into with vendors who are expected to supply routine services, supplies, materials or labor to the District on a regular basis throughout the fiscal year (such as gasoline, discing, road maintenance, vehicle maintenance, printing, office supplies and field hardware). Open purchase orders shall be closed at the conclusion of each fiscal year. Vendors of repetitive supplies and services shall be selected through the competitive bidding procedures set out in Section II, based upon the anticipated or budgeted cumulative cost of the supply or service. Where competitive bidding procedures cannot feasibly be used, a comparison of vendors' prices will be made and staff will provide written documentation of the price



quotations used to select the vendor with the lowest cost, pursuant to the Administrative Purchasing Policy/Procedure. Multi-year contracts can be entered into only when appropriate and necessary to secure the best pricing or assure continuity of service. An annual review of the services and prices provided shall be documented by District staff to assure that the vendor is meeting the District's needs and expectations and remains at a competitive price. Whenever feasible, multi-year contracts for service or supplies shall provide that the option to renew or extend the contract is at the District's sole discretion.

### **I. Design Build Contracts**

Pursuant to Public Resources Code section 5580, upon approval by the Board, the design-build process (Public Contract Code sections 22160-22169) may be used to assign contracts for the construction of facilities or other buildings in the district. The minimum project limitation of one million dollars for design build projects set forth in the Public Contract Code does not apply to District design-build projects.

A Conflict of Interest Policy for design-build contracts required by Public Contract Code section 22162 is included in the Design-Build Contracts - Conflicts of Interest (Board Policy 6.09).

## **V. GENERAL PROVISIONS**

### **A. Conflict of Interest**

No District employee or official shall be financially interested, directly or indirectly, in any purchase, contract, sale, or transaction to which the District is a party and which comes before said official or employee for recommendation or action. Any purchase, contract, sale, or transaction in which any employee or official is or becomes financially interested shall become void at the election of the District. No employee or official shall realize any personal gain from any purchase, contract, sale, or transaction involving the District. More information can be found in Board Policy 6.02 – Conflict of Interest Code.

### **B. Credit Cards**

The General Manager may approve the use of District credit cards for District purchases by authorized employees. Employees utilizing a credit card shall not exceed his/her purchasing authority, as authorized in this Policy and as delegated by the General Manager, unless prior approval is given by a supervisor with the appropriate purchasing authority. All card holders must follow the credit card procedures outlined in the Administrative Purchasing Policy/Procedure. District credit cards shall not be issued to individual members of the District Board of Directors.

### **C. Purchase of Recycled Products**

District staff shall purchase recycled products when the cost, suitability, and quality, taken together, provide the best outcome for the environment and best value for the public.

**D. Violations of This Policy**

Employees are subject to disciplinary action up to and including termination for violation of this Policy.