



Agenda Date: 9/18/2019

Agenda Placement: 8B

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Jeff Tucker - Director of Administrative Services/CFO
NS-Administration

REPORT BY: Jeff Tucker, Director of Administrative Services/CFO - 707-258-6000

SUBJECT: Second Reading of Ordinance to Change Section 2.03 of District Code to Amend Procurement Policies

RECOMMENDATION

Adopt ordinance amending District Code Section 2.03 Procurement Policies to increase the informal bidding and force account thresholds and to increase the quote threshold for purchasing goods and materials, by taking the following actions:

1. Conduct second reading of ordinance, by title only, and waive full reading.
2. Hold public hearing pursuant to rules for adopting ordinances.
3. Close public hearing.
4. Adopt Ordinance No. 111 to amend District Code Section 2.03 Procurement Policies

EXECUTIVE SUMMARY

In 1998, NapaSan elected to be subject to the California Public Construction Cost Accounting Act ("CPCCAA"), which provides flexibility to the District regarding the bidding of public projects. The CPCCAA sets specific policies and regulations that must be included in an informal bidding ordinance.

Every five years, the California State Controller is authorized by the CPCCAA to revise the informal bidding and force account (work done by public employees) thresholds. In May 2019, the Controller increased the informal bidding threshold from \$175,000 to \$200,000 and the limit for public projects performed by public agency employees by force account from \$45,000 to \$60,000.

Within the CPCCAA, NapaSan also has the discretion to set the threshold for the purchase of goods and services under which quotes are not needed and can be procured by sole source. The current threshold (\$3,000) was established in 2007.

This ordinance would update NapaSan's Code to be consistent with the CPCCAA's new thresholds for informal bids (\$200,000) and work done for force account (\$60,000). The ordinance would also increase the threshold for the purchase of goods and services without quotes to \$5,000, which equals to the current threshold for the capitalization of assets.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

None.

SUPPORTING DOCUMENTS

- A . Presentation from September 4, 2019 Board Meeting
- B . Ordinance - Redline Version
- C . Ordinance - Clean Version

Napa Sanitation District: Approve

Reviewed By: Jeff Tucker