

***VENTURA PORT DISTRICT
ADMINISTRATIVE POLICY***

Policy Title: *Contract Administration, Competitive Bidding Procedures, Purchasing & Procurement, and Professional Service Agreement*

Contract Administration

The Ventura Port District routinely utilizes the services of outside contractors for a variety of operational needs. These include acquisition of equipment and supplies, materials, maintenance services, and construction or renovation of District facilities. All contracts should include the following provisions:

- (a) The term or length of contract
- (b) Description of work to be performed or services/products to be provided.
- (c) Schedule for performance.
- (d) Indemnity, insurance and bonding requirements.
- (e) Payment schedule.
- (f) Conditions for termination of contract.

The General Manager shall have the authority to approve and execute on behalf of the District any contract with a value of less than \$10,000 without competitive bidding, provided at least two proposals are obtained. The General Manager is authorized to approve those contracts that are included in the District's current budget.

Unless subject to competitive bidding requirements, all contracts are to be negotiated by the General Manager or his/her designee. All contracts should be negotiated within established budget parameters and shall comply with applicable legal requirements. Contracts not encompassed by the current fiscal year's budget, will require the approval of the Board of Port Commissioners.

Competitive Bidding Procedure

As provided in the Public Contract Code, contracts for construction work or acquisition of services or supplies, must be let by competitive bidding where the amount of the contract exceeds the following thresholds:

- (a) \$10,000 for new construction work;
- (b) \$25,000 for acquisition of supplies and equipment; and
- (c) \$10,000 for maintenance of buildings and improvements.

Pursuant to the Public Contract Code Section 20751, when a construction or repair project is contemplated, the General Manager will make a recommendation to the Board of Port Commissioners with a cost estimate and other supporting documentation appropriate for the size and scope of the proposed project.

Upon approval by the Board of Port Commissioners, the General Manager shall cause to be prepared the appropriate plans, specifications and other descriptive information for the publication of a notice inviting sealed bids for performance for the proposed work. The notice shall be published in a newspaper of general circulation in accordance with the Public Contracts Code.

The contract documents shall be prepared utilizing the District's standard forms, with such modifications as may be appropriate for the particular work or unit of work, for the acquisition of materials or equipment. In the event of an emergency, applicable Public Contract Code provisions will be followed.

All bids shall be presented under sealed cover on forms furnished by the District, and, in the case of a bid to perform work for the District, it shall be accompanied by one of the following forms of bidder's security: (1) cash, (2) a cashier's check made payable to the District, (3) a certified check made payable to the District, or (4) bidder's bond executed by an acceptable surety insurer made payable to the District.

Sealed bids shall be opened at the time and place stated in the advertisement for bid with no less than two representatives of the District in attendance. When all bids have been evaluated, the General Manager shall make a recommendation to the Board of Port Commissioners regarding award of the contract.

If the lowest bidder is disqualified for any reason, or if the bids exceed the cost estimates previously approved, the General Manager shall evaluate the options available and make a recommendation to the Board of Port Commissioners. The Board of Port Commissioners will make the final decision regarding the award of contract. At the direction of the Board of Port Commissioners and after legal counsel review, the General Manager shall execute the contract.

The General Manager shall have the authority to approve and execute on behalf of the District any change order to a contract previously approved by the Board of Port Commissioners with a value of \$10,000 or less.

For change orders in excess of \$10,000, the General Manager shall obtain authorization from the Board of Port Commissioners before executing the change order.

Purchasing Policy

The General Manager is responsible for determining the amount and timing of the District's purchases, based on Department requests, and consistent with the District's fiscal year budget. The General Manager shall have authority to make purchases in the normal course of business in amounts not exceeding \$5,000.

The General Manager is authorized to approve proposed purchases of services, supplies, materials or equipment in the amount of (\$25,000), or less, provided the purchases are included in the District's budget. The General Manager shall obtain at least three written

proposals from different vendors whenever possible. Prospective purchases over \$5,000 not encompassed by the current fiscal year's budget require the prior approval of the Board of Port Commissioners.

Professional Service Agreements

Architectural, engineering, project management, inspection and other such professional services may be required and shall be awarded using the District's standard Professional Services Agreement.

The Board of Port Commissioners shall approve all Professional Services Agreements over the amount of \$25,000. The General Manager is authorized to enter into a Professional Services Agreement in an amount of \$25,000 or less, provided the services have been included in the fiscal budget.

Any Professional Services Agreement not included in the District's current fiscal year's budget, requires the approval of the Board of Port Commissioners.

Emergencies

The General Manager may approve non-budgeted expenditures when the safety of the public or property reasonably requires such action or in other emergency situations as allowed by law. The General Manager shall provide a written report to the Board of Port Commissioners describing the nature of any such expenditure and its justification.

Prohibition Against Serial or Cumulative Expenditures

The authority for making expenditures or executing contracts as provided in this policy is intended to enable the General Manager and District Staff to understand the scope of this authority when contracting on behalf of the District. The structuring of transactions in a serial or cumulative manner so as to avoid the requirement of approval by the Board of Port Commissioners is strictly prohibited and will not be tolerated.

Adopted and Effective Date: Nov. 16, 2005