

BUTTE COUNTY CENTER-LED CONTRACTING / PROCUREMENT POLICIES AND PROCEDURES MANUAL



Prepared By:

Director, General Services: *Grant Hunsicker* MAR 11 2016
 Grant Hunsicker Date

Reviewed By:

Chief Administrative Officer: *Paul Hahn* 3-23-16
 Paul Hahn Date

County Counsel: *Bruce Alpert* 3/16/16
 Bruce Alpert Date

Approved by:

Board of Supervisors Chairperson: *Bill Connelly* 22 March 2016
 Bill Connelly Date

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Table of Contents

SECTION I – CENTER-LED CONTRACTING / PROCUREMENT GENERAL POLICY AND PROCEDURES	4
A. POLICY AND PROCEDURES FORMAT	4
B. PURPOSE, SCOPE AND CONTROLS	4
C. CENTER-LED BUSINESS MODEL.....	5
C.1. KEY COMPONENTS OF THE CENTER – LED BUSINESS MODEL.....	5
C.2. STRUCTURE OF THE CENTER – LED BUSINESS MODEL.....	7
C.3. DEPARTMENTAL TEAM CLASSIFICATION	7
D. AUTHORITIES.....	8
E. REGULATORY COMPLIANCE REQUIREMENTS.....	10
E.1. COMPLIANCE CERTIFICATION	10
F. REQUIRED PRACTICES	11
F.1. COMMUNITY INTER-RELATIONSHIPS.....	11
F.2. SOLICITATION POLICY.....	12
F.3. STANDARDS OF CONDUCT	16
F.4. SEPARATION OF DUTIES.....	17
F.5. PROCUREMENT INSTRUMENT	17
F.6. STANDARD COUNTY CONTRACT TEMPLATE MANAGEMENT	17
F.7. CONTRACT CONSTRUCT PROCESS	18
F.8. PRE-REVIEW AND ROUTING PRIOR TO EXECUTION	20
F.9. EXECUTION AND REPOSITORY	20
F.10. CHANGES TO CONTRACT ONCE EXECUTED:.....	21
F.11. ANOMALIES AND THE VALUE OF “NOTE TO FILE”	22
F.12. PROTESTS AND APPEALS	22
F.13. CONTRACT DISPUTES / BREACH	24
F.14. DEBARMENT POLICY AND PROCEDURE.....	25
SECTION II - SPECIFIC POLICIES AND PROCEDURES	28
A. PERSONAL PROPERTY (COMMODITIES)	28
A.1. PERSONAL PROPERTY EXPENSE TRANSACTIONS	28
A.2. PERSONAL PROPERTY REVENUE TRANSACTIONS – SALE OF PERSONAL PROPERTY.....	31

B. PERSONAL AND PROFESSIONAL SERVICES	33
B.1. PERSONAL AND PROFESSIONAL SERVICES EXPENSE TRANSACTIONS	33
B.2. PERSONAL / PROFESSIONAL SERVICES REVENUE TRANSACTIONS	36
C. PUBLIC PROJECTS	37
C.1. PUBLIC PROJECT EXPENSE TRANSACTIONS - GENERAL	37
C.2. PUBLIC PROJECT EXPENSE TRANSACTIONS – HARD COSTS.....	38
C.3. PUBLIC PROJECT EXPENSE TRANSACTIONS – SOFT/SUPPORT SERVICES	41
C.4. REVENUE.....	42
D. REAL PROPERTY	42
D.1. REAL PROPERTY ADMINISTRATION.....	42
D.2. REAL PROPERTY EXPENSE TRANSACTIONS	45
D.3. REAL PROPERTY REVENUE TRANSACTIONS	47
E. ATYPICAL TRANSACTIONS	50
E.1. EMERGENCY PROCUREMENT	50
E.2. URGENT PROCUREMENT.....	50
E.3. INTER-DEPARTMENTAL	51
E.4. TRANSACTIONS WITH OTHER AGENCIES.....	51
E.5. NET ZERO TRANSACTIONS	51
E.6. UNCLASSIFIED TRANSACTIONS.....	51

GOVERNING DOCUMENT: [CHAPTER 46](#) OF THE BUTTE COUNTY CODE, TITLED “PURCHASING.”

SECTION I – CENTER-LED CONTRACTING / PROCUREMENT GENERAL POLICY AND PROCEDURES

A. POLICY AND PROCEDURES FORMAT

The widely diverse nature of County business makes any document addressing procurement and other contract transactions a complex subject. To enhance clarity and organization of the subject, this Manual is broken down as follows:

SECTION I – CENTER – LED CONTRACTING / PROCUREMENT GENERAL POLICY AND PROCEDURES

In a Center – Led Contracting / Procurement business model, a central organization, known as the Center – Led Team, focuses on supply chain strategies and policy development based on best practices while the departmental teams carry out much of the day to day routine procurement functions. This section provides an overview of the Center – Led Contracting / Procurement business model including the scope and the authority of staff in conducting procurement functions on behalf of the Board of Supervisors. Policy in this section pertains to all transactions regardless of type. In addition, policy is established that shall be followed for all transactions that are included within the scope of this Manual.

SECTION II – SPECIFIC POLICIES AND PROCEDURES

This Section outlines policy regarding all transactions that are the subject of this manual. This Section is first broken down by type of transaction including commodities, personal and professional services, public projects and real property; and then in terms of expense and revenue to the County.

B. PURPOSE, SCOPE AND CONTROLS

B.1. The Butte County Center – Led Contracting / Procurement Policies and Procedures Manual (Center-Led Manual) implements the provisions of Chapter 46 (and any other relevant ordinance citation) of the Butte County Code and complies with California Government Code Sections 23004-23005 and 25500 et seq., California Public Contract Code Sections 22000-22045, and Butte County Board of Supervisors Resolution No. 99-85 by establishing policies and procedures whereby uniform contracting and procurement transactions shall be conducted. Further, it shall be the purpose and intent of these policies and procedures to ensure that all contracting and procurement business conducted through the use of various forms of legally binding instruments complies with all relevant

federal and state statutes, fosters a fair and competitive business environment and can be processed in a cost effective manner.

- B.2. Be it known by any person who participates in the solicitation, development, management or administration of Butte County Contracts and Procurement, that this manual, containing the County policies and procedures for contracting and procurement, is approved and adopted by the Butte County Board of Supervisors. Further, this manual is the sole purview of the Board of Supervisors. Changes of any sort shall be submitted for approval at a regular meeting of the Board of Supervisors, shall be adopted by resolution, and shall take effect immediately thereafter. Changes shall be recommended to the Board of Supervisors by the Chief Administrative Officer as provided for in the Butte County Code and relevant federal and state statute, and shall be first reviewed by Butte County Counsel for compliance with law, to include the provision of relevant legal citation.
- B.3. Contract authority has been delegated directly from the Board of Supervisors to the Road Commissioner / Director of Public Works by way of Butte County Charter and Code. Therefore, this Center-Led Contracting & Procurement Manual shall not govern the contracting or procurement made by the Department of Public Works, the Director of Public Works or the Road Commissioner for road fund or public works enterprise fund projects, except when the General Services Department makes purchases or contracts on their behalf, at their request. If the Public Works Department requests assistance from the General Services Department, the policies and procedures of this manual shall apply.
- B.4. Furthermore, the scope of this manual does not include real property transactions involving tax deeds, public authority, or seizures performed by the District Attorney's Office.

C. CENTER-LED BUSINESS MODEL

C.1. KEY COMPONENTS OF THE CENTER – LED BUSINESS MODEL

There are five key components to implementation and maintenance of the Center – Led Contracting / Procurement Business Model:

- (A) Clear Policy and Procedures
 - i. The intent of this Manual is to provide clear statements of policy and procedure. In recognition that it is impossible to anticipate all possible necessities when additional clarity or interpretation is required, it shall be provided by the Director, General Services.
- (B) Training
 - i. County employees shall not conduct business on behalf of the Board of Supervisors without comprehensive training, as determined by the Center – Led Team defined below, consistent with their job requirements and the authority delegated to their department head as limited purchasing agent. County employees may be required to complete continuing or subsequent training.

(C) Certification

- i. Demonstration of competency shall be made through a process of testing which shall result in a pass or fail score of 80% or greater. Failure to pass a course will require retaking the course and retesting. Demonstrated competency of 80% or greater shall be considered certified competency and shall be the minimum requirement to conduct business on behalf of the Board of Supervisors.
- ii. Certification shall be recorded by the General Services Department and available as credentials for transactions or for any verification or scrutiny required to validate the transactions conducted.
- iii. Individuals shall be certified prior to transfer of authority; thereby it shall be deemed the individual has the knowledge and competency to conduct county contracting and procurement business in accordance with these policies and procedures, and in accordance with the terms of their specific level of deputy appointment. The ability for a department to conduct these transactions is dependent on continual demonstration of adherence to policy and procedure.
- iv. In the event that a department head does not maintain adequate staffing of those who are certified to effect the required separation of duties, delegated purchasing agent authority may be suspended or rescinded, and/or the department may become de-certified, whereby all purchases for that department shall be made by the General Services Department until such time as certification is established.

(D) Compliance Assurance Program (CAP)

- i. The purpose of the Compliance Assurance Program is not to punish or threaten departments. The purpose of the Compliance Assurance Program is to provide departments with objective information that may be useful in developing corrective action implemented by the department.
- ii. The Director, General Services, in conjunction with the Chief Administrative Officer, will work closely with any Department Head experiencing repetitive or significant/critical errors or non-compliance issues to develop and implement a corrective action plan.
- iii. The Chief Administrative Officer shall be responsible for the compliance assurance of delegation of authority and shall reserve the right to rescind delegated purchasing authority.

(E) Department Head Responsibility

- i. In an effort to streamline business processes and increase control over day-to-day transactions, delegation of specific contracting and procurement functions within departments will fall to Department Heads who shall act as limited and specific purchasing agents through the Office of the County Purchasing Agent on behalf of the Board of Supervisors, and thereby assume certain duties and authorities.
- ii. Corrective action for deviations from the policies and procedures will be determined at the time of the error or infraction. Any and all issues discovered, either through compliance assurance review or practice of these procedures will be handled on a case-by-case basis.

C.2. STRUCTURE OF THE CENTER – LED BUSINESS MODEL

(A) The Center – Led Team

- i. The Center-Led Team is chaired by the General Services Department and includes staff from other departments willing and able to assist in leading contracting and procurement functions throughout the County. The purpose of the Center-Led Team is to strategically plan and implement county wide procurement efforts and to test and recommend changes to policies and procedures to the Board of Supervisors.

(B) The Departmental Teams

- i. The Departmental Teams include all levels, including the Department Head, of all departments that are involved in contracting and procurement functions for the County under the Center-Led Business Model. The purpose of the Departmental Teams are to conduct the routine contracting and procurement functions in the manner established by policy and procedures.

C.3. DEPARTMENTAL TEAM CLASSIFICATION

(A) Designation

- i. Tier 0: Although not the subject of this Manual, any department that has not been trained and certified under the Center-Led Contracting / Procurement Policies and Procedures shall be classified as Tier 0.
- ii. Tier I: All departments are required to be trained and certified under the Center-Led Contracting / Procurement Policies and Procedures. Once certified, departments shall be classified as Tier I.
- iii. Tier II: After acceptable performance as a Tier I department, departments may request increased authority to include Tier II Contracting and / or Tier II Purchasing classification.

(B) Transition from Tier I to Tier II Authority Delegation

- i. A Department Head may request additional or advanced levels of contracting and / or procurement authority from the General Services Department.
- ii. General Services shall conduct an evaluation including:
 - (a) Review of accuracy of existing Tier I transactions pursuant to policies and procedures defined in this Manual;
 - (b) The necessity to provide additional training associated with the new responsibilities;
 - (c) Input from other internal control departments including County Counsel, Administration, Auditor/Controller and Human Resources regarding compliance with internal control policies and procedures;
 - (d) Requirements of an electronic based Contracting and Purchasing system.

- iii. The General Services Department shall make the recommendation to approve or deny to the Chief Administrative Officer.
 - iv. The final determination is made by the Chief Administrative Officer.
- (C) Maintaining Classification
- i. Transactions are reviewed by the General Services Department utilizing the Compliance Assurance Program.
 - ii. Compliance with this Manual is also reviewed by the General Services Department to evaluate training and compliance with regulatory and required practice requirements.
 - iii. Once a department becomes Tier I certified, the department will remain Tier I classified. In the event a department is unable to demonstrate compliance with policy established in the Center-Led Manual, departmental authorities may be reduced by the Chief Administrative Officer.
 - iv. Once a department becomes Tier II certified, the department will remain Tier II classified unless they are unable to comply with policy established in the Center-Led Manual. In such case, the department becomes Tier I classified and cannot reapply for Tier II certification status for at least six months to allow adequate time to implement proper internal control deemed appropriate by that department in order for it to come into compliance.

D. AUTHORITIES

- D.1. All delegation of authority for public projects shall comply with the California Uniform Public Construction Cost Accounting Act (CUPCCAA), adopted by the Board of Supervisors.
- D.2. All contract and procurement authority is vested in the Board of Supervisors, which shall enter into contracts with competent parties. The Board hereby establishes the policies and procedures that govern county contracting and procurement transactions through adoption of this Center-Led Manual and through Chapter 46 – Purchasing, of the Butte County Code.
- D.3. The Board of Supervisors delegates authority to the Chief Administrative Officer to:
- (A) Administer and enforce policies established by the Board of Supervisors and to disseminate rules and regulations necessary to implement board policies. In addition, the Chief Administrative Officer shall negotiate or supervise the negotiation of, and execute contracts as authorized by the Board of Supervisors, subject to the limitations and procedures established by California State Law and those which have been authorized by the Board of Supervisors through budget adoption. The Chief Administrative Officer shall be responsible for the administration of all county contracts and their faithful performance.
 - (B) By resolution for a period not to exceed five (5) years, the Board of Supervisors may delegate the execution of all documentation necessary to effect specific transactions approved by the Board of Supervisors, including:

- i. Documentation as defined by government code required to acquire real property to be held in fee and to sell or lease property held in fee.
- ii. Performing any and all acts necessary to acquire a lease hold.
- iii. Performing any and all acts necessary to acquire or dispose of an easement, license or special event real property interest utilizing the alternative procedures provided in the policies and procedures of this Manual.
- iv. Developing vacant or partially vacant real property owned or leased by the County through joint venture with private enterprise.
- v. Entering into contracts with property management firms for the management of County owned, leased or licensed real property, whereby the management firm may contract for the improvement, alteration, repair or maintenance of the facility.

D.4. The Chief Administrative Officer may delegate:

- (A) Contracting and procurement authority, in part or in its entirety, to other Administration staff as necessary for the prompt and faithful discharge of these duties.
- (B) Authority to County Department Heads to make direct purchases within specific prescribed policy set forth in this manual, utilizing contract template, purchase order, credit card, open account, or simplified purchasing procedures upon successful completion of, and continued participation in, a training and certification program.
- (C) The Chief Administrative Officer may delegate contracting and procurement authority to the Director, General Services, in part or in its entirety, to include real property transactions.

D.5. The Department Heads may delegate:

- (A) Contracting and procurement authority, in part or in its entirety, to other departmental staff as necessary for the prompt and faithful discharge of these duties.

D.6. The Director, General Services:

- (A) Shall direct the contracting and purchasing of services, commodities, materials and equipment, as well as execute final disposition of personal property, within specific prescribed policy set forth in this manual;
- (B) Shall exercise general supervision over all county real property, whether leased or owned by the County, and such other public lands and facilities under the control and jurisdiction of the Board of Supervisors; and
- (C) Shall provide contract administration for building construction and authorize alterations.
- (D) May further delegate contracting and procurement authority, in part or in its entirety, to other General Services' staff as necessary for the prompt and faithful discharge of these duties.
- (E) Shall restrict Departments' contracting and procurement authority as the aggregate transactions for services with a particular vendor reaches the General Services Department execution authority of \$100,000.

- (F) Shall develop, manage, and enforce Center-Led Departmental Procedures to assist departments in compliance with this Center-Led Manual.

E. REGULATORY COMPLIANCE REQUIREMENTS

E.1. COMPLIANCE CERTIFICATION

It is the policy of the County to comply with Federal and State codes and regulations governing procurement as required. The Director, General Services is authorized to certify that the County complies with regulatory requirements as necessary in the course of contracting with state and federal agencies.

(A) Non-Discrimination

- i. County shall not discriminate with regard to minority, women, and disabled veteran-owned business enterprises.
- ii. County shall require contractors on public projects, where funds for the project come directly from the State and/or Federal government, to state that their business practices comply with non-discriminatory policy and to certify that they exert a good faith effort to actively comply pursuant to California Code of Regulations.
- iii. County shall comply with California Government Code Section 12990(a-f) and California Code of Regulations, Title 2, Division 4.1, Subchapter 5, Article 1, Section 11102 relating to non-discrimination program compliance by contractors.

(B) Davis-Bacon Act

- i. County shall comply with the Davis-Bacon Act of 1931 et seq., a United States federal law; and with all relevant California State Labor Code and Public Contract Code requirements.
- ii. County shall pay prevailing wage for all public projects per the State of California Department of Industrial Relations as provided in California Labor Code Sections 1770-1782 et seq.
- iii. County shall pay prevailing wage for all public projects performed on leased facilities when paid for in whole or in part out of public funds, per the State of California Department of Industrial Relations as provided in California Labor Code Sections 1720 et seq.
- iv. Prevailing wage shall be paid on construction contracts between private entities when the property subject to the construction contract is privately owned, and upon completion of the construction work, more than 50 percent (50%) of the assignable square footage is leased to the County, per the State of California Department of Industrial Relations as provided in California Labor Code Sections 1720.2.

(C) Department of Labor Standards

- i. County shall comply with California Public Contract Code 10296, which requires contractors to include in their contracts with the State of California, a statement attesting to whether they have been found in contempt of Federal Court within the

- immediate preceding two years due to their failure to comply with an order of the National Labor Relations Board, excluding credit card purchases of \$2,500 or less.
- ii. County shall comply with California Labor Code Section 1771.1 regarding the contractor registration program when contracting for “public work” projects.
 - iii. County shall comply with the Copeland “Anti-Kickback” Act (18 U.S.C. §874) as supplemented in Department of Labor regulations (29 CFR Part 3) concerning all contracts and sub-contracts for construction or repair when financed in whole or in part by loans or grants from the United States Government.
 - iv. County shall comply with Chapter 37 of the Contract Work Hours and Safety Standards Act concerning public work construction contracts in excess of \$2,000 awarded by Federal grantees or sub-grantees, or are in any way financed in whole or in part by Federal funds, which involve the employment of mechanics or laborers.
 - v. County shall comply with Executive Order 11246 of September 24, 1965, titled “Equal Employment Opportunity” as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations.
- (D) Emergency Planning & Community Right-To-Know Act
- i. The Emergency Planning and “Community Right-to-Know” Act (EPCRA) is largely associated with disaster response and recovery and shall be utilized to improve information regarding chemical safety and protect public health and the environment to the public when working in facilities and with contractors.
- (E) Health Insurance Portability & Accountability Act (HIPAA)
- i. County shall comply with the Health Insurance Portability and Accountability Act (HIPAA)
- (F) The Americans with Disabilities Act of 1990
- i. County shall comply with United States Code Title 42, Chapter 126, titled Equal Opportunity for Individuals with Disabilities, and more particularly, Chapter 126, Subchapter II – Public Services and Subchapter III – Public Accommodations and Services Operated by Private Entities, in the provision of goods and services to the public, which prescribes generally, that no individual shall be discriminated against on the basis of disability.

F. REQUIRED PRACTICES

F.1. COMMUNITY INTER-RELATIONSHIPS

- (A) Local Business Preference
- i. The County of Butte shall recognize the importance of the local business community and the fundamental economic interdependence between business and government.
 - ii. In the event that a local business offers the same low price as a business located outside the County of Butte, preference shall go to the local business.

- iii. Commodity purchases under \$5,000 are ineligible for local business preference.
 - iv. A local vendor preference of two percent (2%) shall be granted on commodity purchases with a value between \$5,000 and \$25,000 that:
 - (a) Do not involve State or Federal government funds directly specified for the contract, or
 - (b) Do not involve public projects, or
 - (c) Do not include a funding source that prohibits local preference awards. In no event shall the local vendor preference exceed \$500 even if the transaction includes the procurement of multiple commodities.
- (B) County Business with the Local Community
- i. County Departments may sell, rent or lease assets and/or provide expertise to other public agencies or non-profit organizations so long as it is not the auction or sale of County surplus property, which is exclusively conducted by the Director, General Services.
 - ii. The General Services Department shall offer for auction, sale, lease, transfer, exchange, donation or other method of disposal, personal property that has been deemed to be surplus.
 - iii. In the event that the County intends to provide goods or services to another entity, it shall be done with the sole intent of leveraging County resources to assist other public or non-profit organizations in the local community so long as it does not increase in any way the burden to the taxpayer.
- (C) Local Community Organizations
- i. The binding authority shall request local community organizations conducting business with the County to identify any County employee holding a position of governance or influence directly or indirectly associated with any form of contract that involves monetary exchange between the local community organization and the County of Butte.

F.2. SOLICITATION POLICY

- (A) General
- i. County Departments shall foster a fair, competitive and transparent environment for County expenditures and transactions.
 - ii. Selection based on convenience, preference, practice or gratification shall be strictly prohibited.
 - iii. Solicitation results are considered valid for a maximum of three years.
 - iv. County Departments shall use the County standard solicitation format including all standard terms and conditions, or obtain approval from the General Services Department before using a non-standard solicitation form.
 - v. Wherever feasible, the County shall select business partners from the largest reasonable business community by competitive solicitation for the greatest value to the

County and its constituents. Therefore, unless directed otherwise by the General Services Department, departments shall use an electronic solicitation system approved by the General Services Department that publishes all open solicitations on the Butte County website.

- vi. Procurement transactions shall not be split into a series of transactions for the purpose of evading the solicitation requirement or for the purpose of avoiding purchasing authority limits or in any way circumvent or deviate from the clear intent of this policy.
- vii. Subject to applicable law, the General Services Department shall provide all debriefing requested by any unsuccessful bidder or proposer regarding the solicitation for and award of any contract.

(B) Exceptions to Solicitation

- i. Interpretation of exceptions to solicitation shall be made by the General Services Department.
- ii. Departments shall obtain authorization from the General Services Department to exclude any transaction from solicitation prior to the negotiation with the vendor.
- iii. In the event an exception to solicitation has been authorized by the General Services Department, the using department shall evaluate a fair and reasonable cost as each situation is unique and market factors may or may not be relevant. Departments shall provide justification when petitioning to the General Services Department for an exception to open and competitive solicitation.
- iv. The General Services Department must approve all exceptions to solicitation for all contracts prior to execution by the General Services Department or the Board of Supervisors.
- v. The only exceptions to open and competitive solicitation shall be in the following situations:
 - (a) Although departments may choose to solicit to ensure competitive pricing, transactions with an aggregate or cumulative price of less than \$25,000 do not require solicitation; or
 - (b) Are classified as one of the following:
 - (I) Service provided by another governmental agency;
 - (II) Advertising where comparable options do not exist;
 - (III) Books, publications, subscriptions, recordings, annual book and periodical contracts, or motion picture film or video NOT sold through distributors where items are copyrighted, negotiation is not an option, and where there is not an alternate source for the material;
 - (IV) Construction equipment rental where comparable options do not exist;
 - (V) Construction-related professional, other than actual construction, that include architectural, engineering, land surveying, environmental or

construction management when contracting with a contractor from a County qualified pool;

- (VI) Automotive and heavy equipment repairs;
 - (VII) Proprietary drugs and pharmaceuticals, medical supplies and equipment;
 - (VIII) Fuel credit cards or fuel purchases;
 - (IX) Proprietary software and/or proprietary information technology goods and services NOT sold through distributors, when it is the only article that will properly meet the needs of the department;
 - (X) The Election Official may procure ballots, sample ballots, voter pamphlets and precinct supplies without utilizing the County Purchasing Agent, but is still required to solicit for these goods when it is known, or should have been known, that time is available to do so;
 - (XI) Consulting services not involving public projects. California Public Contract Code Section 10335.5(c) allows the following consulting services contracts to be exempt from solicitation:
 - 1. Temporary employment in a non-testing civil service consultant-type classification;
 - 2. Work performed only by a public entity;
 - 3. Expert witness for litigation;
 - 4. Legal defense, legal advice or legal services;
 - (XII) Training, seminars, or classes for County personnel in an amount less than \$5,000;
 - (XIII) Personal property or service where the price is fixed by law;
 - (XIV) Purchasing Agent or his/her designee determines that it is in the best interest of County to renew a contract award from the previous contract period based on satisfactory product/service and reasonable prices, to avoid the interruption of County business, and based on good business sense, if pursuant to the terms and conditions of the contract.
- (c) One-Source (Sole):
- (I) One-Source transactions occur when there is no other source or option in providing the commodity or service. Although it would be in the County's best interest to procure from multiple vendors, the General Services Department may approve procurement from one source if no others exist.
 - (II) All One-Source Justifications associated with contracts executed by the General Services Department or the Board of Supervisors requires approval by the General Services Department prior to contract negotiation.

- (III) Specifications shall not be deliberately construed to exclude potential respondents.
- (d) All-Inclusive
- (I) All-Inclusive transactions occur when the department will contract with every qualified vendor providing the required service or commodities.
 - (II) The department shall:
 1. Accept qualifications from any firm interested in providing the service or commodity;
 2. Vendors that are determined by the department not to be qualified shall be notified of such;
 3. The department shall contract with all vendors that are determined by the department to be qualified for the service or commodity;
 4. Departments shall rotate procurement transactions between all qualified vendors.
- (e) Select Choice
- (I) Select Choice transactions occur when there may be multiple vendors and the department believes that there is a viable business reason not to solicit and submits a valid business case to the General Services Department. The General Services Department may approve sourcing the goods or services from a select vendor.
 - (II) All Select Choice Justifications associated with contracts executed by the General Services Department or the Board of Supervisors requires approval by the General Services Department prior to contract negotiation.
- (f) Standardization
- (I) The General Services Department is responsible for standardization, which is the organized development and definition of a “Standard” that has been established based on a prior competitive solicitation.
 - (II) Departments shall apply for approval of standardization from the General Services Department.
 - (III) Prior to standardizing, departments shall conduct a solicitation to determine the most favorable offer of provision with the greatest value to the County.
 - (IV) When standards are adopted, only the items meeting the standards are to be purchased under the approved standard. Each standard is subject to continuous review and modification by the General Services Department.
 - (V) Standardization shall be granted for no less than ten (10) years. During the ten years, competitive solicitation shall not be required for those

elements granted standardization; for any element where there are multiple sources for the standardized element, competition shall be required.

- (g) Qualified Pool
 - (I) The General Services Department may establish and manage a pool of qualified respondents who have demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required at a fair and reasonable price. Uniform standards for ranking respondents based on questionnaires and required statements shall be employed when developing published lists (pools) of qualified bidders.
 - (II) Contracting from a Qualified Pool is allowed when engaging expert and professional services which involve extended analysis, the exercise of discretion and independent judgment in their performance, and an advanced, specialized type of knowledge, expertise or training that is customarily acquired either by a prolonged course of study or equivalent experience. Professionals are degreed, licensed or certified.
- (h) Extending Prior Solicitation
 - (I) In the event a department is unable to solicit for services prior to termination of an existing contract for a service that requires solicitation, the department shall seek direction from the General Services Department.
 - (II) Contracts for goods or services that require solicitation, but that must be amended to extend the term while solicitation is completed, shall not be extended beyond one year.

F.3. STANDARDS OF CONDUCT

- (A) No County binding authority shall bind a contract to which they have been a principal party in the selection or development thereof.
- (B) No County employee, official or agent shall apply undue or inappropriate influence over any other employee in the selection of a contractor, development of a contract, approval of a contract or management of a contract once executed.
- (C) No contract shall be made with any contractor whereby there is an underlying relationship without full disclosure of that relationship to the binding authority.
- (D) County employees in the conduct of contract business shall ensure that any personal interests do not conflict with those of the County. In the event that a conflict exists or may exist, it is the employee's responsibility to reveal it to the binding authority.
- (E) Prior to developing a contract where the other party is an individual and a previous County employee, an immediate family member of a current County employee, or a CalPERS Annuitant, Department shall submit to the Director, Human Resources the scope of work along with a request for approval to enter into contract using the Butte County Independent Contractor/Conflict of Interest Certification Form (IC/COI). This form shall be provided in all

solicitation packages published, or if exempt from solicitation, shall be provided to the prospective contractor at the time the scope of work is written.

- (F) Any purchase or sale of real property, or purchase or sale of personal property, from or to an individual or entity other than a corporation or sole proprietor shall have a conflict of interest statement attached that shall include the identification of the buyer/seller and their relationship as an employee of the County and/or their relationship to any County employee.
- (G) No officer, agent or employee of the County assigned to the purchasing function or responsible for surplus property declarations shall either directly or indirectly submit a bid for or purchase County property that has been declared surplus.
- (H) Authority to direct requisitions to the Purchasing Agent or their delegate shall be vested in the Department Heads and may be delegated to that person's deputies, officers or employees by filing written Deputation and Oath of Office with the County Clerk/Recorder and providing filed copies to the Auditor-Controller and the General Services Department. Each vested person authorizing such a requisition does so with the representation that there are sufficient funds available to support the purchase.

F.4. SEPARATION OF DUTIES

- (A) Proper separation of duties shall be utilized for all contracting and procurement transactions to avoid the appearance of a conflict of interest or impropriety.
- (B) While departments may choose to further separate duties, at a minimum, the three areas to be separated include:
 - i. Requisition for commodities and services
 - ii. Solicitation, vendor selection and contract or purchase order negotiation
 - iii. Acknowledgement of receipt and authorization of payment
- (C) While a single person may be involved in all three areas, no single person shall be responsible for more than one of the above mentioned duties. Departments may seek advice from the General Services Department to ensure proper separation of duties.

F.5. PROCUREMENT INSTRUMENT

- (A) It is the intent of the Board of Supervisors that a formal purchasing instrument, in a format approved by the General Services Department, be utilized for the purchasing of all commodities when the aggregate purchase exceeds \$5,000.
- (B) It is the intent of the Board of Supervisors that a contract be utilized for the procurement of all services with or without commodities.

F.6. STANDARD COUNTY CONTRACT TEMPLATE MANAGEMENT

- (A) County Standard Templates
 - i. The General Services Department shall prepare proposed County Standard Templates and submit them to County Counsel for review and approval.

- ii. County Counsel and Risk Management shall approve all County Standard Templates for use.
 - iii. The approval of a contract template by County Counsel and Risk Management shall be documented and maintained with the revision control log for that template.
- (B) Modification of County Standard Templates
- i. The General Services Department shall review any template alteration for merit and any conflicts with County requirements.
 - ii. The General Services Department shall make changes to the insurance requirements stipulated in the standard template only after review and approval by Risk Management.
 - iii. The General Services Department shall make changes to the standard templates only after review and approval by County Counsel to ensure their validity and legal sufficiency.
- (C) Document Control
- i. Access to the original language for County Standard Templates shall be restricted to General Services' staff who are certified to alter County template language.
 - ii. Storage of Revision Control Templates:
 - (a) The General Services Department shall be the repository of County Standard Templates and shall document and control any changes after the appropriate approval of such change.
 - (b) The General Services Department shall ensure that the most current version of a template is universally used within forty-five (45) days of the date of the latest revision. Departments may use this 45-day period to make inquiries regarding revisions to the template. Templates other than the most current version may be sent back to the originator to be re-processed forty-five (45) days after the date of the latest revision.

F.7. CONTRACT CONSTRUCT PROCESS

- (A) The policy of the County is to avoid multi-party contracts whenever possible and departments shall obtain General Services Department approval prior to negotiating a multi-party contract.
- (B) The policy of the County is to only make contracts using the County Standard Templates. It is recognized that in certain circumstances, the other party to the contract may refuse to comply. When it is in the best interest of the County to enter into a contract with a contractor that will not use a County Standard Template, departments shall first contact the General Services Department.
- (C) When developing a contract, selection of a County Standard Template shall be in accordance with the type of agreement under the guidance of the General Services Department.
- (D) When the contract is not a product of the County, it generally favors the contractor and departments shall strive to negotiate language that at least maintains fairness to both parties.

The following terms and conditions shall be required, unless an exception is approved by the General Services Department:

- i. Contract construed and interpreted according to California law and any action to enforce terms of contract shall be brought and tried in the County of Butte, or at the very least, in the State of California;
- ii. Indemnifications pursuant to the standard county language;
- iii. Changes only by written amendment agreed to and signed by both parties;
- iv. Payment due after work has been performed and approved;
- v. Independent contractor statement;
- vi. Termination upon 30-day written notice;
- vii. Insurance requirement, and bonding requirement if appropriate, and pursuant to provisions approved by Risk Management;
- viii. Comply with all Federal, State and Local laws, rules and regulations, including protective language per HIPAA regulations when required;
- ix. No delegation, transfer or assignment of duties or rights without written consent of both parties.
- x. The Scope of Work shall include explicit and comprehensive statement of the work to be performed by contractor prior to payment, and shall include an explicit basis of payment.
- xi. Payment shall be a finite dollar amount designated as either a fixed rate/amount or a not-to-exceed amount that is delineated. Requirement for reimbursement of expenses shall include a specific statement listing acceptable expenses, with itemized billing and detailed receipts from contractor.
- xii. The County does not generally include attorney fees or arbitration provisions in contracts. Contracts with such provisions shall be referred to County Counsel for review prior to execution.

(E) Scope of Work

- i. Contract Scope of Work shall not include arbitrary language, or language that contradicts recitals or terms and conditions of the County Standard Template.
- ii. The scope of work in any contract entered into shall include an explicit and comprehensive statement of the work to be performed by contractor prior to payment.
- iii. Scope of work shall include an explicit basis of payment.
- iv. All exhibits, attachments, waivers, or other ancillary documents that are conditional to the contract shall be incorporated by reference and paginated into the contract.

(F) Payment Language

- i. Contracts shall have a finite dollar amount stated in either fixed rate/amount or if variable such as hourly rates, not to exceed amount. In all cases, if contract price is open-ended, the General Services Department shall review and approve prior to execution.

- ii. Contracts that make allowance for payment of expenses shall require specific statement of acceptable expenses, including travel and all other expenditures, and billing for such expenses shall be itemized and receipted in order for expenses to be reimbursed.

F.8. PRE-REVIEW AND ROUTING PRIOR TO EXECUTION

- (A) Upon request, the General Services Department may provide pre-review services to any department to ensure compliance with policy and procedures prior to review by vendor.
- (B) Regardless of the binding authority, all contracts shall be reviewed by departmental staff trained to review contracts for errors, inconsistencies, compliance with policies, procedural correctness, and general conformity to training and certification program requirements.
- (C) Contracts that have insurance language other than the County Standard Template shall be reviewed and approved by Risk Management.
- (D) Contracts that have indemnification language other than the County Standard Template shall be reviewed and approved by County Counsel.

F.9. EXECUTION AND REPOSITORY

- (A) County departments shall be required to obtain insurance certificates with endorsements and bonds, if required by the contract, and retain them in the department contract file.
- (B) Butte County does not recognize any written agreement that is not executed in accordance with the policies and procedures of this Manual.
- (C) Contracts requiring approval by County Counsel shall be signed by Counsel prior to execution by the signing authority.
- (D) Contracts in which a vendor or grantor provides funding to the county shall be signed by the Auditor-Controller prior to execution by the signing authority.
- (E) A contract shall be deemed fully executed when all required reviews are completed and so acknowledged by the signature and title of all appropriate binding agents.
- (F) A fully executed original contract shall be deemed so when it has wet ink (blue) signatures or approved electronic signature.
- (G) Minimum number of EXPENSE contract or amendment originals:
 - i. The repository for contracts/amendments shall be the originating department and shall follow the County Records Retention Policy.
 - ii. For contracts/amendments that are not executed by the Board of Supervisors, there shall be at least two originals as a result of the routing regardless of what type or who may be the parties thereto: one for the County department and one for the Contractor. Additional originals may be included as required.
 - iii. For contracts/amendments that are executed by the Board of Supervisors, there shall be at least three fully executed originals as a result of the routing regardless of what type or who may be the parties thereto: one for the Clerk of the Board, one for the

County department and one for the Contractor. Additional originals may be included as required.

(H) Minimum number of REVENUE contract or amendment originals:

- i. The repository for contracts/amendments shall be the originating department and shall follow the County Records Retention Policy.
- ii. For contracts/amendments not executed by the Board of Supervisors, there shall be at least three originals as a result of the routing regardless of what type or who may be the parties thereto: one for the County department, one for the Auditor/Controller and one for the Contractor. Additional originals may be included as required.
- iii. For contracts/amendments executed by the Board of Supervisors, there shall be at least four originals as a result of the routing regardless of what type or who may be the parties thereto: one for the County department, one for the Auditor/Controller, one for the Clerk of the Board and one for the Contractor. Additional originals may be included as required.

(I) Storage of Currently Active Contracts:

- i. A contract is active while its duration is current, while claims are pending, while the funds are encumbered if encumbrances are used, and for an additional ninety (90) days post expiration date to allow all accounts to be settled.
- ii. Active contracts shall be retained in the originating department in a file in their entirety including one fully executed original, all insurance certificates, bonds, licenses, any material correspondence and any other related documentation to the contract.
- iii. Any and all transactions associated with the contract, including but not limited to, correspondence, claims, amendments, payment records, notices to proceed, change orders, and assignments shall be maintained therein. Active contract files shall be available to any duly authorized County employee for review.
- iv. Contracts and all relevant supporting documents associated with Real Property transactions or transactions using Federal funds shall be retained for three (3) years after the date of the close, or in accordance with grant funding requirements.

F.10. CHANGES TO CONTRACT ONCE EXECUTED:

- (A) Contracts shall be amended in writing to incorporate any material change to the parties involved, the scope of work, dollar amounts, basis of payment, contract duration, or any other term and/or condition of agreement.
- (B) Contract amendments shall not increase the basis of payment/dollar amount(s) without articulation of the cause of the increase and shall require the approval of the Purchasing Agent or designee. Increases in rates/dollar amounts without a reciprocal increase in value of performance rendered may be considered a gift of public funds and may not be approved.
- (C) Once executed, County contracts shall be altered only by written and duly authorized amendment or change order, executed in accordance with the procedures herein delineated.

- (D) Amendments to County EXPENSE contracts shall be executed by the General Services Department, except as follows:
 - i. Expense contracts where the contract and the amendment, or sum of all amendments, results in the total amount of the contract to be less than \$25,000 when, and only when, the department is certified to Tier II Contracting authority.
 - ii. Expense contracts where the amendment increases the total amount of the contract, or the vendor's aggregate transactions with the County, to be greater than \$100,000.
 - iii. Expense contracts where the amendment increases the total amount of the contract by more than 10% when the original contract amount was greater than \$100,000.
 - iv. Expense contracts where the amendment increases the duration/length of the contract beyond five (5) years or sixty (60) months.
- (E) Amendments to County REVENUE contracts shall be executed by the General Services Department, except as follows:
 - i. Revenue contracts where the amendment revenue is not anticipated and included in the current department budget and additional appropriation is necessary.
 - ii. Revenue contracts where the amendment is obtained from a grant that requires a resolution or minute order from the Board of Supervisors to amend.
 - iii. Revenue contracts where the amendment is contingent on County match of funds and additional appropriation is necessary.

F.11. ANOMALIES AND THE VALUE OF "NOTE TO FILE"

- (A) In the conduct of business, transactions exist in a range of conformance to standard practice. In some cases, it may be difficult to determine if a transaction conforms to the intent of the Policy and Procedures.
- (B) If the transaction appears to be inconsistent with the Policy and Procedures, the General Services Department is responsible for evaluating the transaction. For the purposes of this section, the Director, General Services shall also include his/her designee.
- (C) The Director, General Services shall review the transaction and determine if the actions and intent are compliant with the Center-Led Manual.
- (D) If the transaction is outside of policy, the Director, General Services shall provide guidance to correct the transaction to ensure compliance and protect County in both action, intent and appearance of action and/or intent.
- (E) Clarification of the actions, decisions and intent of the transaction shall require documentation in the form of a "Note to File" ("Note") which may be prepared by the Department or the General Services Department. The Note shall be dated and shall make clear objective statements of the situation, the options, the decisions and the endeavor to comply with policy and procedure such that any rational individual reading the Note will be able to follow the transaction and determine that the actions taken were in the best interest of the County and taxpayers.

F.12. PROTESTS AND APPEALS

- (A) Protests and appeals may present themselves before, during or after contract negotiation and construct of a contract.
- (B) Each department must notify and consult with the General Services Department immediately upon becoming aware of a potential or actual protest.
- (C) The General Services Department shall administer the process of any protest regarding solicitation, development, post execution management or post expiration administration that may arise for all contracts.
- (D) Any actual or prospective bidder, respondent or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the Director, General Services. The protest shall be submitted in writing to the Director, General Services within seven (7) working days after such aggrieved person or company knows or should have known of the facts giving rise thereto.
- (E) Bid solicitations and requests for proposals shall include a notification to prospective bidders of the County's protest policy.
- (F) The alleged grounds for protest shall be limited to the following:
 - i. The County failed to follow the procedures or requirements specified in the Invitation for Bid, Request for Proposal, or other solicitation document;
 - ii. County employees or evaluation committee members engaged in misconduct or impropriety, or;
 - iii. The County's designation of the protesting bidder as non-responsive was incorrect due to an issue of fact or law not apparent on the face of the bid document or proposal.
- (G) First Administrative Review:
 - i. The Director, General Services shall discuss with County Counsel all protests and appeals prior to issuing a written decision.
 - ii. After receipt of the protest and after determining the protest was properly filed, the Director, General Services shall investigate the protest, and after consulting with County Counsel, shall issue a written decision within ten (10) working days after receipt of the protest.
 - iii. The decision shall state the reason for the action taken and inform the protestant that a request for further administrative appeal of an adverse decision must be submitted in writing to the Chief Administrative Officer within seven (7) working days after receipt of the decision by the Director, General Services.
- (H) Second Administrative Review:
 - i. If so requested, the Chief Administrative Officer shall investigate the protest and issue a written decision within ten (10) working days after receipt of the protest.
 - ii. The decision shall state the reason for the action taken and inform the protestant that a request for further administrative appeal of an adverse decision must be submitted in writing to the Clerk of the Board of Supervisors within seven (7) working days after receipt of the decision by the Chief Administrative Officer.

- iii. For contracting and procurement transactions not executed by the Board of Supervisors, the Chief Administrative Officer shall make the final determination.
- (I) Board of Supervisors Hearing:
- i. If so requested and the award is subject to approval by the Board of Supervisors, the Clerk of the Board of Supervisors shall schedule the appeal for hearing by the Board of Supervisors at a subsequent regularly scheduled meeting within forty-five (45) working days from the date of receipt of the appeal.
 - ii. Once the Clerk of the Board of Supervisors has scheduled the appeal hearing, written notification thereof shall be given to the appellant by certified mail not less than five (5) working days from the date of the hearing.
 - iii. At the hearing, the appellant shall have the right to testify, to be represented by counsel, to present witnesses on his/her own behalf, to cross-examine all other witnesses and to present oral and written documents and evidence on the issues.
 - iv. At the conclusion of the hearing, the Board of Supervisors shall make findings of fact and a decision concerning the issues raised by the appellant.
 - v. Review of the proceeding before the Board of Supervisors may be sought in Superior Court.
- (J) Stay of Purchasing Action during Protest:
- i. In the event of a timely appeal before the Board of Supervisors under this Section, the County shall not proceed further with the solicitation or with the award of the contract until the appeal is resolved unless the Director, General Services, in consultation with the Department Head of the using department and County Counsel, makes a written determination that the award of the contract without delay is necessary to protect a substantial interest of the County.
- (K) Remedies Prior to an Award:
- i. If prior to award it is determined that a solicitation or proposed award of a contract is in violation of law, then the solicitation or proposed award shall be cancelled or revised to comply with law.
- (L) Remedies after an Award:
- i. If after an award it is discovered that a solicitation or award of a contract is in violation of law, it shall immediately be brought to the attention of the Director, General Services who will make a determination.
 - ii. If the person awarded the contract has not acted fraudulently or in bad faith the contract may be terminated or ratified and affirmed, provided it is determined that doing so is in the best interests of the County.
 - iii. If the person awarded the contract has acted fraudulently or in bad faith the contract may be declared null and not valid or the contract may be ratified and affirmed if such action is in the best interests of the County, without prejudice to the County's right to such damages as may be appropriate.

F.13. CONTRACT DISPUTES / BREACH

- (A) In the event of contract dispute or potential breach, County departments shall notify the General Services Department promptly.
- (B) The General Services Department shall administer the process of any dispute regarding solicitation, development, post-execution management or post-expiration administration that may arise for all contracts except Inter-departmental/Agency contracts.
- (C) Inter-departmental / Agency contract disputes shall be administered by the Chief Administrative Officer or deputy.
- (D) The General Services Department shall notify County Counsel whenever any dispute involves a party outside the County.
- (E) Potential or Actual Breach:
 - i. Contract condition of breach shall be determined by County Counsel.
 - ii. The General Services Department shall lead the department through the breach process, in conjunction with County Counsel, which may result in debarment of the vendor.

F.14. DEBARMENT POLICY AND PROCEDURE

- (A) Debarment Policy
 - i. In adopting the Policy, the Board of Supervisors makes a finding that, in order to promote integrity in the County's contracting processes and to protect the public interest, the County's policy shall be to conduct business only with responsible contractors. The Board of Supervisors further finds that debarment is to be imposed only in the public interest for the protection of the County, and not for the purpose of punishment.
 - ii. It shall be a breach of ethical standards for any person or firm to present false documents or falsely represent its firm. A breach of ethical standards may result in County debarment for consideration of awards, and/or a referral to law enforcement officials.
 - iii. County shall not engage or make contract with vendors that are known to be debarred from contracting with any government agency, including debarment by the County of Butte, in compliance with California Government Code. Further, County shall not engage or make contract with vendors that are listed by the Federal General Services Administration on the System for Award Management website (sam.gov), which is for the purpose of disseminating information on parties that are debarred from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits.
- (B) Debarment Procedure
 - i. Upon written notice to the contractor, a debarment hearing shall be conducted within thirty (30) days in the presence of the Director, General Services, acting as the Debarment Hearing Chair, where evidence on the proposed debarment action is presented by the department initiating such debarment action and rebuttal information is provided by the contractor.

- ii. The hearing shall be recorded by any method deemed appropriate by the Debarment Hearing Chair and a copy of the record of the proceeding shall be made available to the contractor at the appropriate cost, upon request.
- iii. Within 10 days of the hearing, the Debarment Hearing Chair shall prepare a written decision:
 - (a) If the Debarment Hearing Chair determines debarment has not been substantiated, the matter is closed.
 - (b) If the Debarment Hearing Chair determines debarment has been substantiated, the written tentative proposed decision will be presented to the Chief Administrative Officer for a final decision.
- iv. When considering the final proposed decision and recommendation of the Debarment Hearing Chair, the Chief Administrative Officer may limit any further hearing to the presentation of evidence previously presented.
- v. The Chief Administrative Officer shall have the right to modify, deny or adopt the final proposed decision and recommendation of the Debarment Hearing Chair.
- vi. In the event of debarment, the Contractor shall be placed on a County List of Debarred Contractors by the General Services Department.

(C) Debarment Removal Process

- i. Debarment period is 3 years from the date of final findings.
- ii. Subsequent to the debarment period, a debarred contractor may request in writing to become eligible for contracting to provide services to the County.
- iii. Upon written notice to the contractor, a debarment removal hearing shall be conducted in the presence of the Director, General Services, acting as the Debarment Hearing Chair, where evidence on the proposed debarment removal action is presented by the contractor and rebuttal information is provided by the department originating the debarment process.
- iv. The hearing shall be recorded by any method deemed appropriate by the Debarment Hearing Chair and a copy of the record of the proceeding shall be made available to the contractor at the appropriate cost, upon request.
- v. Within 10 days of the hearing, the Debarment Hearing Chair shall prepare a written decision:
 - (a) If the Debarment Hearing Chair determines that the contractor shall be removed from debarment, the Contractor shall be removed from the County's List of Debarred Contractor's by the General Services Department and the matter is closed.
 - (b) If the Debarment Hearing Chair determines that the Contractor shall not be removed from the County List of Debarred Contractors, a written tentative proposed decision will be presented to the Chief Administrative Officer for the final decision.

- vi. When considering the final proposed decision and recommendation of the Debarment Hearing Chair, the Chief Administrative Officer may limit any further hearing to the presentation of evidence previously presented.
- vii. The Chief Administrative Officer shall have the right to modify, deny or adopt the final proposed decision and recommendation of the Debarment Hearing Chair.
- viii. In the event the Chief Administrative Officer approves that the Contractor be removed from the County List of Debarred Contractors, the General Services Department shall ensure the Contractor is eligible for future contracts with the County.

SECTION II - SPECIFIC POLICIES AND PROCEDURES

A. PERSONAL PROPERTY (COMMODITIES)

A.1. PERSONAL PROPERTY EXPENSE TRANSACTIONS

- (A) The Chief Administrative Officer may execute purchase orders and Managed Procurement Contracts for commodities only and shall supervise the solicitation of personal property, materials and capital assets on behalf of the County.
- (B) Environmentally Preferable Purchasing
 - i. Purchase requisitions, product specifications, and performance standards prepared by the General Services Department or other County departments shall not require indiscriminate use of virgin materials nor exclude the use of recycled materials.
 - ii. If fitness and quality are equal, County shall purchase recycled products instead of non-recycled products whenever recycled products are available at the same or less total cost than non-recycled items.
 - iii. When applicable, County shall require all businesses, as defined in California Public Contract Code to certify in writing the minimum, if not exact, percentage of post-consumer materials in the products, materials, goods, or supplies being offered or sold to County, to include printer/duplication toner or ink cartridges. All contract provisions impeding the consideration of recycled products shall be deleted in favor of performance standards. County may waive the certification requirement if the percentage of post-consumer material in the products, materials, goods, or supplies can be verified in a written advertisement, including, but not limited to, a product label, a catalog, or a manufacturer or vendor internet website.
 - iv. All printing contracts made by County shall provide that the paper used shall meet the minimum recycled content requirements of thirty percent (30%), by post-consumer fiber weight, as provided in Public Contract Code.
- (C) Types of procurement for personal property:
 - i. Open Account
 - (a) Use of an open account is a privilege intended to facilitate the economical and orderly procurement of routinely purchased personal property by County departments on a regular basis.
 - (b) Open accounts shall be established in the name of the County of Butte and Department name, and shall require approval of the General Services Department, with review by the Auditor/Controller prior to accepting written or online terms and conditions of the vendor.
 - (c) Open accounts shall not be used to procure capital assets or capital asset enhancements under any circumstances, except by the General Services Department.

- (d) Departments may procure from an open account for transactions that do not exceed their purchasing authority based on Tier classification and departments may procure without approval from the General Services Department.
- ii. Managed Procurement Contract (MPC) for commodities
 - (a) General
 - (I) Managed procurement transactions are purchases made under the terms of a contract between the County and vendor that specifies managed procurement prices, commodities, payments and terms.
 - (II) Unless formally delegated to departments, the General Services Department shall be responsible for both the solicitation and negotiation of all Managed Procurement Contracts. This may include use of leveraged solicitations completed by other agencies that comply with County solicitation policy and may take the form of a centralized contract, or “piggy back” on another contract approved for County use.
 - (III) Managed Procurement Contracts for commodities only shall not be solicited for dollar amounts in excess of 150% of anticipated actual use. In the event the solicitation is for 150% of anticipated actual use, it must be stipulated that the actual usage may be significantly less than the solicitation indicates.
 - (IV) Managed Procurement Contracts intended for the procurement of commodities only shall not be used to procure any service other than delivery.
 - (V) Managed Procurement Contracts shall not be used to procure capital assets or capital asset enhancements under any circumstances, except by the General Services Department.
 - (b) Release Designation
 - (I) Use of Managed Procurement Contracts are a privilege intended to facilitate the economical and orderly procurement of personal property by all County departments on a regular basis and classification as “Department Release” or “General Services Release” shall be determined by the General Services Department.
 - (II) Department Release
 - 1. Departments, regardless of their purchasing authority associated with Tier classification, may procure commodities utilizing a Department Released Managed Procurement Contract for transactions totaling less than \$25,000, including tax and shipping, and departments shall approve the release of the commodities directly from the vendor.
 - (III) General Services Department Release

1. Departments may contact the vendor of a Managed Procurement Contract to determine the correct items, quantities and prices of the items to be procured.
 2. Departments shall submit a Release Request utilizing an electronic request system approved by the General Services Department.
 3. The procurement of commodities under a General Services Released Managed Procurement Contract shall be approved by the General Services Department regardless of the transaction amount.
 4. The General Services Department shall be responsible for approving and releasing purchase orders classified as General Services Released.
- iii. Regular
- (a) Regular procurement transactions are transactions that are not Open Accounts or Managed Procurement Contracts.
 - (b) Regular purchases are made without regard for an existing contract or agreement between the County and vendor that specifies managed procurement prices, payments or terms.
- (D) Purchase Instrument Format
- i. Regular and Open Account purchases for commodities of total invoice value (including shipping, handling, tax and any other incremental cost or charge) less than \$5,000, and purchases using the approved Department Released Managed Procurement Contract of less than \$25,000, may be conducted using a Departmental Purchasing Instrument developed by the department.
 - ii. Regular and Open Account purchases with a total invoice value (including shipping, handling, tax and any other incremental cost or charge) equal to \$5,000 or greater shall be conducted through a formal purchasing process approved by the General Services Department.
 - iii. General Services Released orders may utilize the standard County purchase order form or may use a formal Release Approval depicting the terms and conditions of the release.
- (E) Purchase Order Obligations
- i. The issuing of an authorized Purchase Order shall constitute County's offer of contract.
 - ii. Once offered (by the provision of a PO# or delivery of a PO), the vendor's shipment shall constitute vendor's acceptance of the contract.
 - iii. The County's receipt and acceptance of delivery shall be deemed the full execution of the PO contract.
- (F) Postal Mail and Freight

- i. Purchase of incidental postage, such as stamps or flat rate envelopes or boxes, shall be made directly from the United States Postal Service using a County issued credit card, by check from the Auditor-Controller through the accounts payable process, or by employee reimbursement.
 - ii. Check for postage shall be written to the U. S. Postmaster for the exact amount of postage required.
 - iii. Freight services shall be obtained from nationally recognized parcel carriers, such as UPS and FedEx or LTL (Less Than Truck Load) shippers by way of department Open Accounts with suppliers, or may be procured directly on an incidental basis, and shall be paid through the County financial system accounts payable batch processing. Incidental freight services may also be purchased using a County issued credit card, or by employee reimbursement.
- (G) Copiers or Multifunction Printers (MFPs)
- i. The General Services Department negotiates and provides a centralized contract for County - Wide multifunction printer/copy machines (MFPs).

A.2. PERSONAL PROPERTY REVENUE TRANSACTIONS – SALE OF PERSONAL PROPERTY

- (A) The surplus declaration process of County personal property shall be conducted to ensure that maximum dollar is salvaged in its final disposition.
- (B) Once County personal property reaches the point of becoming surplus to the needs of County, its disposition shall be determined by the Director, General Services.
- (C) Departmental Surplus Responsibility:
 - i. Follow all support services asset policies, including capital asset management and fleet services policies, to ensure only assets that are appropriate for disposal are processed through the General Services Department.
 - ii. Prepare items for delivery to the General Services Department.
 - iii. Departments shall be responsible for the transportation of surplus personal property to the General Services Department surplus receiving dock.
- (D) In processing surplus personal property, the General Services Department shall:
 - i. Upon receipt of an asset approved for disposal, provide an appropriate secure storage.
 - ii. Post surplus personal property inventory internally, when appropriate, including serviceable vehicles, so departments may consider use prior to expending funds to procure new item(s).
 - iii. Advertise the sale or other method of disposition of surplus personal property prior to disposal pursuant to California Government Code Sections 6061 and 25506 and shall advertise the proposed sale(s) or other disposition(s) in a manner that will best publicize the disposition in order to provide the greatest value to the County.
 - iv. Be responsible to remove all asset tags prior to disposal.

- v. Be responsible for the disposal of surplus personal property through sale, lease, transfer, exchange, trade-in or scrap as appropriate to provide the greatest value to the County and in accordance with all Federal, State and County regulations and/or ordinances. The General Services Department shall be authorized to make determination of the most viable option.
 - vi. Be authorized to solicit and accept advantageous trade-in allowances for County personal property which has a scrap value of less than \$10,000.
 - vii. Be authorized to sell, exchange or trade personal property for which the purchase price is \$5,000 or more through competitive bid when determined to be in the County's best interest.
 - viii. Be responsible to separately account and identify proceeds that are required to be segregated, when the item is so identified and marked by the department at the time of surplus, when compelled by grant or other restrictive asset regulation. Documentation shall be provided by the department to the General Services Department.
 - ix. Deliver any proceeds of surplus property dispositions to the County Treasurer for use by the County.
 - x. Where the property is exchanged or traded-in, secure its value on behalf of the County.
 - xi. Where specifically authorized by law, the General Services Department may sell, lease or dispose of the personal property of any special district in Butte County and pay the proceeds into the treasury of the district, or if an exchange or trade-in is made, return the proceeds to the special district by depositing the funds with the Auditor-Controller for disbursement to the special district.
 - xii. When disposing of surplus technology, in coordination with Information Systems, ensure:
 - (a) Permanent removal of the sensitive information stored in memory for any surplus device shall be in compliance with Federal HIPAA and/or HITECH requirements.
 - (b) Destruction or sanitization of memory in accordance with Department of Defense (DoD) 5220.22-M and/or to industry standards current at time of the release of the equipment, whichever represents the greatest level of (permanent) information destruction.
 - (c) In the event the County contracts with an outside agency, the contract shall require the memory be destroyed or sanitized in accordance with Department of Defense (DoD) 5220.22-M standard (Reference Butte County Information Systems Policies and Procedures Computer Use and Ethics Policy and Network Security Policy 2008, Section 5.1) and/or to industry standards current at time of the release of the equipment, whichever represents the greatest level of (permanent) information destruction.
- (E) County Employees and Surplus of Personal Property:
- i. Officers, agents and/or employees of the County assigned to the General Services Department and directly or indirectly involved in the sale of or in the custody of

surplus public personal property shall not bid, purchase or cause to be purchased for their personal use or business enterprise any surplus public personal property.

- ii. Officers, agents and/or employees of the Department that is initiating the surplus, having direct or indirect involvement in the surplus of public personal property, shall not bid, purchase or cause to be purchased for their personal use or business enterprise any surplus public personal property.
- iii. Officers, agents and/or employees of the County having privileged information regarding the item or equipment or the value thereof that is not available to all prospective bidders shall not bid, purchase or cause to be purchased for their personal use or business enterprise any surplus public personal property.

B. PERSONAL AND PROFESSIONAL SERVICES

B.1. PERSONAL AND PROFESSIONAL SERVICES EXPENSE TRANSACTIONS

- (A) The contracting and procurement limitations imposed upon the Chief Administrative Officer for personal and professional services include the following, which may be delegated to the Director, General Services:
 - i. Execute expenditure contracts for personal and professional services in an amount not to exceed \$100,000 per fiscal year per vendor, and for a duration not to exceed five (5) years or sixty (60) months. All greater amounts or contracts of greater duration shall be executed by the Board of Supervisors.
 - ii. Execute expenditure contracts for special services that shall be with persons specially trained, experienced, expert and competent to perform the special services, pursuant to California Government Code Section 31000.
 - iii. Contracts for special services may be entered into only if there are no available County employees to perform the work. These special services are not exempt from competitive solicitation requirements.
 - iv. Any services to be provided on County owned, leased or operated property and/or directly involving interaction with County employees or their charges shall require a contract, insurance coverage, and may require bonding.
 - v. Contracts with temporary help agencies for the provision of labor during any peak load, temporary absence, or emergency other than a labor dispute, provided that the Board of Supervisors determines that it is in the economic interest of the County to provide such temporary help by contract rather than employing persons for such purposes, employment shall be limited in duration to ninety (90) days.
 - vi. Contracts wherein any personal health information is processed or possibly exposed to a contractor and/or through which may be exposed to a third party shall have appropriate protective language included (such as Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191) and shall require the use of a Business Associate Addendum.

vii. Capital Assets shall not be included in a written contract unless approved by the General Services Department prior to development.

(B) Departmental

i. Express Contracts

- (a) Use of Express Contracts is a privilege intended to facilitate the economical and orderly contracting of simple, low risk and inconsistently used services with or without commodities.
- (b) Departments have the authority to execute Express Contracts for Services under \$5,000.
- (c) Departments shall utilize the Express Contract County Standard Template. Any changes to the Standard County Template are limited to the Scope of Work and the variable information table.
- (d) In the event the department alters more than the Scope of Work and the variable information table, the contract is no longer an Express Contract. The contract shall be prepared on a County Standard Template and may require approval by County Counsel prior to execution by the General Services Department.
- (e) In the event a service provider refuses to sign the Express Contract, Department Heads have the authority to process the purchase through the County Financial System accounts payable batch processing without a fully executed contract so long as they certify that there is no other option and time is of the essence and upon evaluation it is determined the purchase poses little risk to the County.

ii. Departmental Fixed Price

- (a) A Departmental Fixed Price contract is utilized when specific services will be utilized and specific compensation for those services are finite and contractually defined. Although payments may be applied in installments upon completion of milestones throughout the contract term, the contract defines a specific price to be paid unless amended.
- (b) Departments are strongly encouraged to engage the General Services Department for assistance in soliciting and negotiating for services and to use the pre-review service offered by the General Services Department to ensure compliance with contracting requirements prior to sending to the Contractor for signatures.
- (c) Departments may execute Fixed Price contracts for personal or professional services that do not exceed their contracting authority based on Tier classification and when using un-altered County Standard Template other than an Express contract. Contracts constructed on a modified County Standard Template or on a Non-County contract shall require review by County Counsel and execution by the General Services Department or the Board of Supervisors.

- (d) Departments shall track expenditures against any Departmental Fixed Price contract to ensure that the Fixed Price is not exceeded.
- iii. Departmental Not – To – Exceed
- (a) A Departmental Not – To – Exceed contract is utilized when the per unit cost of services or commodities have been negotiated; however, the exact amount of units of service or commodity the County may require is not known at the time of contract execution. Although payments may be made as units of service are requested from the contractor; the total payments may not exceed the Not – To – Exceed limit of the contract.
 - (b) Departments are strongly encouraged to engage the General Services Department for assistance in soliciting and negotiations for service and to use the pre-review service to ensure compliance with contracting requirements prior to execution of the contract.
 - (c) Departments may execute Departmental Not – To – Exceed contracts for personal or professional services that do not exceed their contracting authority based on Tier classifications and when using un-altered County Standard Template other than an Express contract. Contracts constructed on a modified County Standard Template or on a Non-County contract shall require review by County Counsel and execution by the General Services Department or the Board of Supervisors.
 - (d) Departments shall track expenditures against any Departmental Not – To – Exceed contract to ensure that the Not – To – Exceed price is not exceeded.
- (C) Managed Procurement Contracts (MPC) for Services with or without Commodities
- i. General
 - (a) A Managed Procurement Contract for services is utilized when the per unit cost of service, with or without commodities, has been negotiated; however, the exact amount of units of service or commodities the County may require is not known at time of contract execution and the contract may be utilized by numerous County departments. Although payments may be made as units of service are requested from the contractor, the total payments may not exceed the Not – To – Exceed limit of the contract.
 - (b) All Managed Procurement Contracts are solicited for and negotiated by the General Services Department with the needs of all County departments taken into consideration.
 - (c) The General Services Department may execute Managed Procurement Contracts that do not require Board of Supervisors approval as defined in this Manual.
 - ii. Release Designation
 - (a) Use of a Managed Procurement Contract is a privilege intended to facilitate the economical and orderly contracting of personal and professional services by numerous County departments on a regular basis and classification as

“Department Release” or “General Services Release” shall be determined by the General Services Department.

(I) Department Release

1. Departments, regardless of their contracting authority associated with Tier classification, may order services and commodities defined within a Managed Procurement Contract with an order totaling less than \$25,000, including shipping/handling/tax.
2. Departments shall order with sufficient specificity to ensure services and commodities ordered can be accepted and paid under the terms of the Managed Procurement Contract.
3. Departments shall retain records in accordance with the County Record Retention Policy.

(II) General Services Release

1. Departments may contact the vendor of a Managed Procurement Contract to determine the correct services and commodities required by the department.
2. Departments shall submit a Release Request utilizing an electronic contract release system approved by the General Services Department.
3. The ordering of services, with or without commodities, as defined by the General Services Department as a General Services Release Managed Procurement Contract shall be approved by the General Services Department regardless of the transaction amount.
4. The General Services Department shall be responsible for approving and releasing service and commodity orders classified as General Services Release Managed Procurement Contracts.

- iii. The General Services Department shall track expenditures against all Managed Procurement Contract for services with or without commodities to ensure that the Not – To – Exceed price is not exceeded.

B.2. PERSONAL / PROFESSIONAL SERVICES REVENUE TRANSACTIONS

- (A) County departments may initiate and negotiate contracts for services that their departments can provide without increased, non-reimbursed expense to the Department or the County. In the event that there is an implication to the staffing allocation or budget of the Department, the Department will consult with County Administration.
- (B) Revenue contracts may not include transactions in which the grantor provides services or commodities to the County on or off of County owned or leased property. In the event a revenue contract requires the grantor to provide services or commodities, on or off county

owned or leased property, departments shall process the transaction either as an expense transaction or by following the atypical procurement process.

- (C) Revenue contracts that compel expenditures for either staff or capital assets, must only be made with the approval of the Board of Supervisors.
- (D) Risk Management shall provide insurance certificate(s) as appropriate to contractor departments for inclusion in the revenue contract and/or to fulfill contract terms & conditions in accordance with County insurance policies.
- (E) County Department Heads shall endeavor to secure terms and conditions favorable to the County whenever possible.
- (F) In the event the services provided by County are to be sub-contracted and supervised by County, the expense portion or the sub-contract shall be a separate instrument between County and the sub-contractor.
- (G) Departments shall request that incoming revenue checks have a County reference number matching the contract number or invoice number provided by the Auditor's Office. Checks received without this designation may be delayed in process and may "float in suspense," which will delay or negatively impact benefit to the department.
- (H) Departments shall be responsible for accounts receivable regardless of the form of payment, including but not limited to: advances, invoicing, ATRs, appropriate accruals, and matching funds and their accounts.
- (I) Departments shall be accountable for audits for all departmental activities on any grant and to guarantee the preservation of the revenue from negative financial impact in accordance with the grant requirements.
- (J) Revenue contracts from federal or state agencies shall conform to all Federal and State law and regulation as stipulated in the contract; and County shall provide certification if required in order to guarantee the preservation of the revenue.
- (K) If required, the Director, General Services shall prepare and provide regulatory compliance certification for revenue contracts.

C. PUBLIC PROJECTS

C.1. PUBLIC PROJECT EXPENSE TRANSACTIONS - GENERAL

- (A) All public projects as defined by government code shall be under the direction of the General Services Department and the responsibility of the Director, General Services.
- (B) In any event and without exception, all public projects (or public work) of \$1,000 or greater shall compel contractor to pay prevailing wage. Exceptions, such as those cited in California Labor Code Section 1720.4 pertaining to volunteers, if allowed, must be explicit and covered by and cited as Labor Code under the supervision of the Department of Industrial Relations.

- (C) County shall comply with State requirements to provide notice to the Department of Industrial Relations of any public work contract within five (5) days of its award. (California Labor Code Section 1773.3) County shall comply with Article 2 of Chapter 1 of Part 7 of Division 2 of the California Labor Code in regard to all of its requirements as an awarding body.
- (D) At least sixty (60) days prior to advertising for bids for construction or expansion of a building within the incorporated territory of the jurisdiction, the County shall notify the Clerk of the jurisdiction in writing; or when exempt from bidding, prior to commencing construction, expansion, when expanding the use of, or when entering into a lease for a building within the incorporated territory of the jurisdiction.
- (E) All contracts, with progress payments, relating to the construction of any public work of improvement shall be subject to five percent (5%) retention. Public projects that are substantially complex, by the determination of the Director, General Services, may be subject to a larger retention, as long as it is declared at a public meeting of the Board of Supervisors and also stated in the bid documents.
- (F) All public projects shall be conducted in accordance with Butte County Resolution No. 99-85 which adopts and commits adherence to California Public Contract Code Section 22000 et seq., also known as the California Uniform Public Construction Cost Accounting Act (CUPCCA), which shall be complied with in its entirety, and in compliance with the Cost Accounting Policies and Procedures Manual governed and audited by the California Uniform Construction Cost Accounting Commission (CUCCAC). The policies and procedures herein stated in this manual apply directly to any and all public projects as defined in that code, excluding projects under the direction of the Road Commissioner.
- (G) The CUPCCA defines two elements to the delivery of public projects:
 - i. All hard cost elements of a public project, to include personnel, materials, supplies, subcontracts, and equipment; plus all overhead, shall be estimated and recorded to a public project tracking system pursuant to the Cost Accounting Policies and Procedures Manual.
 - ii. Soft costs related to the construction work, including but not limited to certain support professional services, such as architecture, landscape architecture, engineering, environmental, land surveying, and construction management services, shall be excluded from the public project estimate for the purpose of determining under which competitive bidding procedures the public project must be solicited.

C.2. PUBLIC PROJECT EXPENSE TRANSACTIONS – HARD COSTS

- (A) The CUPCCA establishes three levels of public project construction contracts based on the anticipated hard costs of a public project compared to an established dollar range that is defined and occasionally modified by the California Uniform Construction Cost Accounting Commission (CUCCAC).
- (B) The Public Contract Code establishes procedures for key process elements and the authority of the Chief Administrative Officer which can be delegated to the Director, General Services to ensure a separation of duties. For each of the three levels of public projects, the Chief Administrative Officer may:
 - i. Level I - Negotiated

- (a) Establish and approve plans and specifications that meet the needs of the County.
 - (b) Obtain verbal or written bids from contractors deemed to be qualified to perform the hard construction.
 - (c) Negotiate terms and conditions, including price, for the construction of the public project.
 - (d) Execute contracts for public projects for hard costs that do not exceed the dollar limit established by the CUCCAC at the time of contract execution.
- ii. Level II - Informal
- (a) Establish and approve plans and specifications that meet the needs of the County.
 - (b) Obtain written bids using the informal bidding procedures as set forth in Public Contract Code, Part 3, Chapter 2, commencing with Section 22030 and the CUCCAC when the anticipated hard costs of the public project do not exceed the dollar amount established by the CUCCAC at the time the bids are obtained.
 - (c) When using the traditional Design-Bid-Build public project delivery method, negotiation of price is not allowed and, in the event the County proceeds with the project, the lowest responsible and responsive bidder shall be awarded the contract.
 - (d) If, at the time of receipts, all bids for hard costs are below the upper limit of the Level II range as established by the CUCCAC, award and execute the construction contract.
 - (e) If, at the time of receipts, all bids are in excess of the upper limit of the Level II range established by the CUCCAC at the time, rather than collapsing that solicitation and conducting another solicitation, the General Services Department may determine to submit it to the Board of Supervisors, which may, by adoption of a resolution by a four-fifths vote, award the contract up to an additional 7% to the lowest responsible bidder.
- iii. Level III - Formal
- (a) For all public projects with anticipated hard costs in excess of the Level III range established by the CUCCAC at the time, the Board of Supervisors shall adopt the plans, specifications, and working details, either prior to or concurrent with award of the construction contract, unless an emergency has been declared.
 - (b) Level III public projects shall be solicited through a formal Invitation For Bid (IFB) process. All contracts for the project must be let using the same bidding procedure. Splitting the work into smaller work orders or projects to circumvent the bidding requirements is unlawful; and even the appearance of

circumventing the bidding requirements shall be avoided. Provisions of the IFB process include:

- (I) All IFB's shall be conducted at public openings by the General Services Department;
 - (II) All bidders shall be announced by name and all bids read aloud;
 - (III) The General Services Department shall determine apparent lowest bid and announce and/or award.
- (c) When using the traditional Design-Bid-Build public project delivery method, negotiation of price is not allowed and, in the event the County proceeds with the project, the lowest responsible and responsive bidder shall be awarded the contract.
 - (d) If, at the time of receipts, all bids are in excess of the upper limit of the Level II range established by the CUCCAC at the time, rather than collapsing that solicitation and conducting another solicitation, the General Services Department may determine to submit it to the Board of Supervisors, which may, by adoption of a resolution by a four-fifths vote, award the contract up to an additional 7% to the lowest responsible bidder.
- (C) Qualified Contractors:
- i. All contractors and subcontractors who bid or work on a County public project shall be registered with the Department of Industrial Relations pursuant to California Labor Code Section 1725.5.
 - ii. For all public projects with a budget estimate that exceeds the negotiated limit as established by the CUCCAC at the time of solicitation, all contractors known by the County to be qualified shall receive a notice inviting bids which shall also be published in all construction trade journals specified in Contract Code Section 22036.
 - iii. The General Services Department shall provide detailed specifications and bid packages to any contractor that requests them.
- (D) Alternative Delivery Method for Public Projects:
- i. Any method other than Design Bid Build requires that the project be consistent with Federal and State requirements for the alternative delivery method used for project delivery.
 - ii. The General Services Department will be responsible for adherence to the Public Project Government Code specific to the delivery method used including obtaining Board of Supervisors approval, if required.
- (E) Change Order Management
- i. At the time the Board of Supervisors approves and executes a contract for hard services for a public project, the Board of Supervisors may also appoint an officer of the project with the authority to address change orders as follows:

- (a) Changes that result in a change of cost shall be negotiated by both parties, shall be deemed reasonable by the appointed officer and within funds that have been appropriated for the project;
 - (b) Changes shall be written;
 - (c) The officer of the project shall not approve any changes that exceed the limits imposed by Public Contract Code Section 20142(a).
- (F) Upon completion of a public project contract let by formal solicitation and executed by the Board of Supervisors:
- i. Change Orders and as built construction plans and specifications shall be ratified by the Board of Supervisors.
 - ii. A Notice of Completion shall be prepared by the General Services Department which, upon Board of Supervisors approval, shall be recorded with the Butte County Clerk/Recorder.

C.3. PUBLIC PROJECT EXPENSE TRANSACTIONS – SOFT/SUPPORT SERVICES

- (A) Pursuant to the California Uniform Public Construction Cost Accounting Act (CUPCCAA), adopted by the Board of Supervisors, the Chief Administrative Officer may execute, or delegate the execution to the Director, General Services, any public project soft cost or support services contract that does not exceed \$100,000.
- (B) Solicitation and the Mini-Brooks Act
 - i. The County shall comply with California Government Code Sections 4525 through 4529.5 (Mini-Brooks Act) which governs contracts between public entities and private architectural, landscape architectural, engineering, environmental, land surveying, and construction project management firms for services pertaining to real property. These statutes establish a Qualifications-Based Selection (QBS) method that the Board of Supervisors has adopted by Ordinance 46-7 to use to contract for these professional consulting services. This method requires that such services be engaged on the basis of demonstrated competence and professional qualifications necessary for the types of services to be performed, and purchased at fair and reasonable prices.
 - ii. The QBS solicitation method results in the creation of a pool of qualified and competent service providers from which to award contract.
 - iii. The procedures that implement the Mini-Brooks Act shall specifically prohibit practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration, and shall specifically prohibit County employees from participating in the selection process when those employees have a relationship with a person or business entity seeking a contract under this section that would subject those employees to the prohibition of California Government Code Section 87100.
 - iv. The procedures that implement the Mini-Brooks Act shall ensure maximum participation of small business firms as defined in California Government Code Section 14837(d)(1).

(C) Change Order Management

- i. Changes that result in a change of cost shall be negotiated by both parties, shall be deemed reasonable by the appointed officer and within funds that have been appropriated for the project.
- ii. Changes shall be written.

C.4. REVENUE

- (A) No known application

D. REAL PROPERTY

D.1. REAL PROPERTY ADMINISTRATION

(A) Alternative Method

- i. The lease or license of real property for use by the County shall be conducted in accordance with the procedures set forth below and known as the Alternative Procedures.

(B) Asset Management

- i. When managing County owned real property acquired prior to January 1, 1984, the Board of Supervisors may do any of the following after determining it will result in economic benefit to the County.
 - (a) Sell, lease for a term not to exceed 99 years, or lease with an option to purchase for a term not to exceed 99 years, any of its real property to any person, partnership, corporation, or governmental entity the Board of Supervisors selects for purposes of cultural, residential, commercial, or industrial use or development upon the terms and conditions determined by the Board and subject to periodic review by the Chief Administrative Officer.
 - (b) Participate as a principal party in the development of cultural, residential, commercial or industrial uses or development thereof as a public works project.
 - (c) Contract for the management, marketing, operation, or leasing of County real property for the purposes of cultural, residential, commercial, or industrial use or development.
 - (d) Provide contract administration for building construction and authorize building alterations.
 - (e) Amend real property leases or licenses for purposes of improvements and/or alterations.

- ii. The Board of Supervisors may hold closed session prior to the sale, lease or exchange of real property to discuss price and terms of payment pursuant to California Government Code Section 54956.8. The Board of Supervisors shall identify its real property negotiators, the real property for which the negotiations may concern, and the parties with whom the negotiators may negotiate.
- iii. Dedication
 - (a) The Board of Supervisors may dedicate real property to a public purpose, and if applicable, such dedication may be abandoned in the same manner as prescribed in Streets and Highways Code Section 8300 et seq.
 - (b) Informal dedication can occur through use of real property for public purpose without intent to dedicate. Once the County has established an informal dedication of real property by virtue of its use, the County may not change the use of that real property without officially terminating its dedication. (California Government Code Section 7050)
- iv. Except as otherwise provided by law or this Manual, all real property transactions, regardless of the source of funding, shall be made in the name of the County of Butte by written agreement and approved and executed by the Board of Supervisors or by the Chief Administrative Officer on behalf of the Board of Supervisors when appointed, and may be delegated to the Director, General Services as stipulated herein. The Director, General Services and the General Services Department are synonymous as used in this sub-section.
- v. For real property acquisitions requiring \$1 million or more in financing, the General Services Department shall involve the County department responsible for debt management who will take the lead in securing the financing.
- vi. In all transactions, the General Services Department shall ensure compliance with the County's General Plan and compliance with the California Environmental Quality Act (CEQA).
- vii. Superior Jurisdiction
 - (a) Regarding the regulation of local agencies by counties and cities in Article 5 of Chapter 1 of Part 1 of Division 2 of Title 5 of the California Government Code, Sections 53090 – 53097.5, the County is not a local agency and therefore, at the discretion of the Board of Supervisors, it may choose to not comply with local building and zoning ordinances.
 - (b) The County shall notify the clerk of the jurisdiction in writing at least sixty (60) days prior to entering into a lease for a building within the incorporated territory of the jurisdiction.
 - (c) The County shall notify the planning agency of the jurisdiction of a proposed real property transaction and request a report from the jurisdiction regarding the proposal's conformity with the general plan, or part thereof. Failure of the planning agency to report within forty (40) days after the matter has been submitted to it shall be conclusively deemed a finding that the proposal is in conformity.

- viii. The Chief Administrative Officer shall:
 - (a) In conjunction with the Auditor-Controller, maintain or supervise the maintenance of inventories of all the County's real property, and undertake activities to prevent the misuse, loss, theft or damage of County real property.
 - (b) Recommend to the Board of Supervisors an annual County Budget based upon long-range plans for acquiring, constructing, or improving buildings and other County facilities, and the disposal of same.
 - (c) Exercise general supervision over all public buildings and real property, whether leased or owned by the County, and such other public lands and facilities under the control and jurisdiction of the Board of Supervisors.
- ix. The General Services Department shall:
 - (a) Ensure that proper public notices are completed for real property transactions that require public notice.
 - (b) With the exception of that stated in the Center – Led Contracting / Procurement General Policy and Procedures of this Manual, be involved in the acceptance, acquisition, exchange, leasing, licensing, disposal of, development or improvement on behalf of the County of Butte.
 - (c) Take the lead in, manage, and serve as the original document repository for all real property transactions for the County of Butte, negotiate all the terms and conditions, and write and/or approve all the agreements.
 - (d) Manage all deeds of trust on real property. Deeds of trust, wherein the County receives a deed of trust as security on real property, and when default occurs, the County may acquire the real property or re-convey the deed of trust. A real property process for acquisition or re-conveyance shall be observed.

(C) Joint Venture Development of Public Real Property

- i. The provision for residential, commercial, industrial, and cultural development of real property owned by the County is deemed a valid public purpose. The County may:
 - (a) Enter into joint venture agreements with private enterprise for the development of County owned real property with the intent of producing additional revenue sources that would aid in the provision of basic and essential public services.
 - (b) Enter into lease arrangements or joint venture developments with compatible private persons, firms or corporations for usable County owned or leased real property that is totally or partially vacant for the purpose of generating revenue for County.
 - (c) Develop vacant or partially vacant real property owned or leased by the County through joint venture with private enterprise.
 - (d) Enter into contracts with property management firms for the management of County owned, leased or licensed real property, whereby the management firm may contract for the improvement, alteration, repair or maintenance of the facility.

(D) Real Property Space Allocation

- i. Departments that require adding, deleting or modifying the allocation of space in any County owned or leased facility shall forward a request to the General Services Department for review.
- ii. The General Services Department shall recommend the allocation of appropriate space for all County departments to the Chief Administrative Officer.
- iii. Expansion and reduction in allocated space, and the costs associated with the occupancy of space, shall be approved by the Chief Administrative Officer.

D.2. REAL PROPERTY EXPENSE TRANSACTIONS

(A) Acquisition in Fee from another public entity for use by the County

- i. This section applies to acquisition of real property to be owned and occupied by the County when the acquisition is from another agency.
- ii. All real property acquisitions in fee from another public entity require Board of Supervisors approval prior to the close of escrow.
- iii. The Board of Supervisors may, by four-fifths vote, acquire any interest in real property required for County use from any public entity upon the terms and conditions that are agreed upon between the public entities.

(B) Acquisition in Fee not from another public entity for use by the County

- i. This section applies to acquisition of real property to be owned and occupied by the County when the acquisition is not from another agency and conveyance is through traditional purchase.
- ii. All real property acquisitions in fee not from another public entity require Board of Supervisors approval prior to the close of escrow.
- iii. If any donation, gift, bequest or devise to County is unaccompanied by a deed restriction, the real property may be put to any uses and purposes which the Board of Supervisors prescribes.
- iv. The Board of Supervisors may reject any donation, gift, bequest or devise made to or in favor of the County of Butte, or to or in favor of the Board of Supervisors in trust for any public purpose. (California Government Code Section 25355)
- v. Prior to commencing Eminent Domain proceedings, the Board of Supervisors shall adopt a resolution of necessity that meets the requirements of Section 1240.040 et seq. of the California Code of Civil Procedure. Eminent Domain proceedings shall, at minimum, follow the provisions provided in the California Code of Civil Procedures commencing with Section 1240.010 et seq. and California Government Code Section 54956.9.

(C) Lease – Leasehold (Lease for use by the County)

- i. The General Services Department shall execute lease agreements for real property for a term not to exceed ten (10) years and for a rental amount not to exceed \$25,000 per

month as delegated by the Chief Administrative Officer pursuant to the Center – Led Contracting / Procurement General Policy and Procedures in this Manual.

- ii. The General Services Department shall execute amendments to all real property leases for improvements and/or alterations, as well as extensions and lease payments, provided that the amendment does not extend the term of the lease more than 10 years past the initial start date, and the amendments do not exceed \$25,000 in a 12-month period. (California Government Code Section 25350.51(2))
- iii. When the lease term exceeds five years, the General Services Department may cause a Memorandum of Lease to be recorded in the County in which the real property is located.
- iv. The Board of Supervisors shall execute lease agreements, and any amendments thereto, for all terms or dollar amounts in excess of those stated above.
- v. Real property leases of a duration not exceeding 10 years and having an estimated monthly rental not exceeding \$25,000 shall be excluded from the bidding procedure specified in California Government Code Section 25537(a), shall be subject to the noticing requirements specified in this Manual, and shall be non-renewable. (California Government Code Section 25537(b))
- vi. Real property leases of a duration exceeding 10 years and having an estimated monthly rental exceeding \$25,000 shall be subject to the bidding procedures specified in California Government Code Section 25537(a).
- vii. Real property leases, when the minimum price or annual rental is not over \$2,000 or \$150 per month for a period of one (1) year or less, shall have a resolution adopted by the Board of Supervisors. (California Government Code Sections 25526)
- viii. When leasing residential property, County shall provide notice to housing sponsors, pursuant to California Government Code Section 6061, as defined in California Health & Safety Code Sections 50074 and 50074.5. (California Government Code Section 25537(b))

(D) Easements

- i. Temporary Easements:
 - (a) The General Services Department shall write or review all temporary easement agreements involving the County, including but not limited to, Temporary Construction Easement (TCE) or Permit to Enter and Construct (PEC). Temporary easement agreements shall be in writing for a specific period of time and/or shall be revocable with notice. The Director, General Services shall approve and execute all temporary easement agreements with a term not exceeding ten (10) years where County is Grantee.
- ii. Permanent Easements:
 - (a) Shall be in the form of a deed, recorded in the County where the real property is located and approved by the Board of Supervisors by resolution. The deed shall be executed by the Board of Supervisors or by the Chief Administrative Officer on behalf of the Board of Supervisors when appointed, which may be delegated to the Director, General Services. The General Services Department

shall manage all real property easements for the County. Revocation shall be by action of the Board of Supervisors and may require the abandonment of easement process.

(E) Licenses

- i. The General Services Department shall execute license agreements for real property for a term not to exceed ten (10) years and for an amount not to exceed \$25,000 per month as delegated by the Chief Administrative Officer. (California Government Code Section 25537(c)(1))
- ii. The Board of Supervisors shall execute license agreements and any amendments thereto for all terms or dollar amounts in excess of those stated above.
- iii. Real property licenses of a duration not exceeding 10 years and having an estimated monthly rental not exceeding \$25,000 shall be excluded from the bidding procedure specified in California Government Code Section 25537(a), shall be subject to the noticing requirements and shall be non-renewable. (California Government Code Section 25537(b))
- iv. Real property licenses of a duration exceeding 10 years and having an estimated monthly rental exceeding \$25,000 shall be subject to the bidding procedures specified in California Government Code Section 25537(a).
- v. When licensing residential property, County shall provide notice to housing sponsors, pursuant to California Government Code Section 6061, as defined in California Health & Safety Code Sections 50074 and 50074.5. (California Government Code Section 25537(b))

(F) Special Events

- i. The General Services Department shall review, approve and/or execute any and all facility rental agreements. Departments shall contact the venue to negotiate the rental terms. The General Services Department shall review the agreement language for compliance with County policy prior to development and execution. If agreement violates County policy, the General Services Department shall contact the venue to negotiate the agreement language. If an approved unaltered County template is not used, the General Services Department shall submit the contract to County Counsel for final review prior to execution.

D.3. REAL PROPERTY REVENUE TRANSACTIONS

(A) Disposal in Fee to another public entity

- i. This section applies to disposal of real property owned by the County when the disposal is to another agency.
- ii. The Board of Supervisors may, by four-fifths vote, dispose of any interest in real property to any public entity upon the terms and conditions that are agreed upon between the public entities.

- iii. Prior to the conveyance of County owned real property, the Board of Supervisors shall declare such property no longer required for use and surplus to the needs of the County.
 - iv. All disposals of fee real property to another public entity require Board of Supervisors approval prior to the close of escrow.
- (B) Disposal in Fee not to another public entity
- i. This section applies to the disposal of real property owned by the County when the disposal not to another agency and conveyance is through traditional sale.
 - ii. Prior to the conveyance of County owned real property, the Board of Supervisors shall declare such property no longer required for use and surplus to the needs of the County.
 - iii. Any donation, gift, bequest or devise of real property by the County to other than another public entity shall not be without consideration, including but not limited to, a reversionary clause or deed restriction or an exchange for services. All such real property transactions shall be by resolution of the Board of Supervisors and conducted by the General Services Department. (California Constitution Article 16, Public Finance Section 6)
 - iv. All disposals in fee real property not to another public entity requires Board of Supervisors approval prior to the close of escrow.
- (C) Lease – Leased Fee (Lease to another entity)
- i. This section applies to the lease of County owned real property to any another entity.
 - ii. The Board of Supervisors shall execute the origination of leased fee agreements.
 - iii. The General Services Department shall execute amendments to all real property leases for improvements and/or alterations, as well as extensions and lease payments, provided that the amendment does not extend the term of the lease more than 10 years past the initial start date, and the amendments do not exceed \$25,000 in a 12-month period. (California Government Code Section 25350.51(2))
 - iv. When the lease term exceeds five years, the General Services Department may cause a Memorandum of Lease to be recorded in the County in which the real property is located.
 - v. The Board of Supervisors shall execute lease agreements, and any amendments thereto, for all terms or dollar amounts in excess of those stated above.
 - vi. Real property leases, when the minimum price or annual rental is not over \$2,000 or \$150 per month for a period of one (1) year or less, shall have a resolution adopted by the Board of Supervisors. (California Government Code Sections 25526)
 - vii. When leasing residential property, County shall provide notice to housing sponsors, pursuant to California Government Code Section 6061, as defined in California Health & Safety Code Sections 50074 and 50074.5. (California Government Code Section 25537(b))
- (D) Easements

- i. Temporary
 - (a) In the manner and upon the terms and conditions determined or prescribed by the Director, General Services, the County may grant or otherwise transfer temporary real property rights to another government entity, public agency or public utility corporation, provided the conveyance is in the public interest and that the interest in the land conveyed will not substantially conflict or interfere with the use of the real property by the County. (California Government Code Section 25526.6)
 - (b) The General Services Department shall write or review all temporary easement agreements involving the County, including but not limited to, Temporary Construction Easement (TCE) or Permit to Enter and Construct (PEC). Temporary easement agreements shall be in writing for a specific period of time and/or shall be revocable with notice. The Director, General Services shall approve and execute all temporary easement agreements with a term not exceeding ten (10) years where the County is Grantor.
- ii. Permanent
 - (a) Shall be in the form of a recordable instrument, recorded in the county where the real property is located, approved by the Board of Supervisors by resolution, and executed by the Board of Supervisors or by the Chief Administrative Officer on behalf of the Board of Supervisors when appointed for a specific transaction, which may be delegated to the Director, General Services.

(E) Licenses

- i. The General Services Department shall execute license agreements for real property for a term not to exceed ten (10) years.
- ii. The Board of Supervisors shall execute license agreements and any amendments thereto for all terms that exceed 10 years.
- iii. Real property licenses of a duration not exceeding 10 years and having an estimated monthly revenue not exceeding \$25,000 shall be excluded from the bidding procedure, shall be subject to public notice requirements, and shall not be renewable.
- iv. Real property licenses of a duration exceeding 10 years and having an estimated monthly revenue exceeding \$25,000 shall be subject to the bidding procedures delineated in this Manual.
- v. When licensing residential property, County shall provide notice to housing sponsors, pursuant to California Government Code Section 6061, as defined in California Health & Safety Code Sections 50074 and 50074.5. (California Government Code Section 25537(b))

(F) Special Events

- i. The General Services Department shall manage and administer the rentals of the special event facilities owned or managed by the County which are made available for public or private use.

- ii. The General Services Department may develop, review, approve and/or execute any and all written agreements for special event facility rentals.
- iii. Prior to execution, the General Services Department and County Counsel shall review and approve as to form written agreements developed by other departments for rental of any portion of department-controlled space. The General Services Department and County Counsel may establish pre-approved unaltered County Standard Templates to use for this purpose.

E. ATYPICAL TRANSACTIONS

E.1. EMERGENCY PROCUREMENT

- (A) Under California Government Code, the County shall respond to sudden, unanticipated occurrences that pose a clear and imminent danger requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.
 - i. The County shall follow the competitive bid process defined by State and Federal government.
 - ii. Emergency shall not be claimed in response to poor planning regarding anticipated occurrences.
- (B) Emergency Response Procurement:
 - i. The Chief Administrative Officer's authority is defined in the Emergency Response Plan, as well as Chapter 2 and Chapter 8 of Butte County Code.
 - ii. The policies and procedures for contracting and procurement transactions in the event of an emergency are not the purview of this Manual and can be found in the Emergency Response Plan.

E.2. URGENT PROCUREMENT

- (A) The Board of Supervisors recognizes that matters can develop that, unless addressed promptly, may result in an interruption of services and that services may be required prior to the next available Board of Supervisors meeting.
- (B) In the event that a department head requires an urgent procurement and the normal contract development, routing, and execution process cannot be completed in sufficient time to avoid a serious operational problem for a department, a letter contract may be executed by the Chief Administrative Officer or Director, General Services, with the following limitations:
 - i. The term shall not exceed 45 days
 - ii. The fixed price or not to exceed price shall not exceed \$25,000
- (C) Any letter contract that is executed that will result in a term that will require more than 45 days or for a price that will exceed \$25,000 shall require that a new contract be negotiated and routed through the typical expense contract routing process.

E.3. INTER-DEPARTMENTAL

- (A) County departments shall be encouraged to share expertise, time and skills when it is in the taxpayer's best interest to do so, and when regulatory requirements make it both cost effective and efficient to partner with another County entity to make provision.
- (B) Departments are encouraged to utilize a formal Memorandum of Understanding when executing agreements with other county departments.
- (C) In the event of disputes between departments the Chief Administrative Officer or designee shall make the final determination.

E.4. TRANSACTIONS WITH OTHER AGENCIES

- (A) Transactions with other agencies are not exempt from the Contract / Procurement Policies and Procedures contained herein.

E.5. NET ZERO TRANSACTIONS

- (A) Classifying transactions with a net zero cost can be difficult to define as an expense or revenue transaction.
- (B) Prior to soliciting, contracting, or procuring commodities or services at zero cost, departments shall seek direction from the General Services Department.

E.6. UNCLASSIFIED TRANSACTIONS

- (A) It is the intent of the County to provide policy for all transactions.
- (B) In the event a particular transaction of any type does not appear to be covered in policy, departments shall utilize the Request for Atypical Authorization Form even if the commodities or services have already been provided without a purchase order or contract.
- (C) The General Services Department shall evaluate each Request for Atypical Procurement Authorization Form and approve or deny payment of any associated claims relative to conforming to policy.

The General Services Department may provide departments with findings that the departments shall consider when developing corrective action in the event the unclassified transaction occurred due to County error.