

**RESOLUTION 2026-11**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE BEAUMONT - CHERRY VALLEY WATER DISTRICT  
AMENDING THE DISTRICT'S POLICIES AND  
PROCEDURES MANUAL**

**WHEREAS**, on March 18, 2009 the Board of Directors of the Beaumont-Cherry Valley Water District adopted Resolution 2009-05, establishing a Policies and Procedures Manual applicable to Board of Directors and District staff; and

**WHEREAS**, upon review and discussion, the Finance and Audit Committee of the Board of Directors recommended revisions to Policies and Procedures Manual Part III; and

**WHEREAS**, the proposed consolidation is intended to strengthen internal controls, improve operational efficiency through the updating of approval thresholds, enhance fiscal oversight, align procurement practices with current legal and industry standards, and clearly document the District's purchasing authority, and exceptions to competitive solicitation; and

**WHEREAS**, the Board of Directors has reviewed and considered the subject policy attached hereto as Exhibit A, finds the policy revision relevant and acceptable, and it to be in the best interests of the District that the following actions be taken,

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Beaumont-Cherry Valley Water District that the District's Policies and Procedures Manual Part III is amended as follows:

Part III Sections are rescinded in entirety:

- Section 11 Employment of Consultants
- Section 12 Employment of Outside Contractors
- Section 17 Purchasing

and are hereby replaced with Policy 5080 Purchasing attached hereto as Exhibit A.

**ADOPTED** this 8<sup>TH</sup> day of APRIL, 2026, by the following vote:


AYES: COVINGTON, HOFFMAN, SLAWSON, WILLIAMS

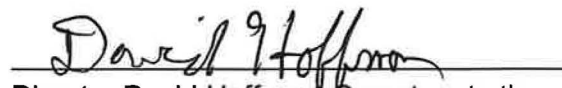
NOES:

ABSTAIN:

ABSENT: RAMIREZ

ATTEST:

  
\_\_\_\_\_  
Director Lona Williams, President of the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

  
\_\_\_\_\_  
Director David Hoffman, Secretary to the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

Attachment: Exhibit A

**EXHIBIT A**

**POLICY TITLE: PURCHASING**

**POLICY NUMBER: 5080**

5080.1 **Goal.** The purpose of this purchasing policy is to establish policies and procedures for the Beaumont-Cherry Valley Water District (District) that provide for:

1. The promotion of maximum value and economy for the District's ratepayers through fair and competitive processes that minimize opportunities for favoritism;
2. A cost-effective purchasing process that incorporates high ethical standards;
3. Obtaining quality materials, supplies, equipment, and services (non-professional, professional, public works construction projects, etc.) at the lowest ultimate cost and in a timely manner;
4. A process to purchase, using effective fiscal controls that assure adherence to budgeted expenses and for obtaining appropriate levels of approval as established herein.

5080.2 **Authorization and Delegation.** By adoption of this policy, the Board of Directors (Board) is authorizing the General Manager, or his/her designee to exercise certain duties and responsibilities that are essential for the day-to-day operation of the District. The General Manager may delegate:

1. The procurement of services and materials, and the provision of public works construction contracts to those staff members given specific authority within this policy;
2. Authority to procure engineering, consulting and design, and construction services for public works construction projects to Departmental Directors, or his/her designees;
3. Authority to Departmental Managers and Supervisors to determine specifications of goods or services needed, to solicit proper bids, and to obtain proper approvals according to the Authorization Table below.

5080.3 **Responsibilities**

1. Departmental Directors – Responsibilities for Departmental Directors may include:
  - a. Recommending revisions to purchasing procedures with respect to public contracting;
  - b. Reviewing all public works construction contracts;
  - c. Supporting the General Manager in entering into contractual obligations on behalf of the District;
  - d. Ensuring all technology purchases are coordinated and approved by the Information Technology and Cybersecurity Department to ensure system compatibility and that cybersecurity best practices are followed.
2. Departmental Managers and Supervisors - the responsibilities of managers and supervisors may include:
  - a. Obtaining full and open competition in accordance with prescribed policies and procedures in a manner that presents the best overall value to the District;
  - b. Identifying requirements sufficiently in advance to allow adequate time to obtain goods in accordance with the best purchasing practices;
  - c. Identifying, evaluating, and utilizing purchasing methods which best meet the needs of the District (e.g., cooperative purchases, blanket purchase orders, contractual agreements, purchasing cards, etc.);
  - d. Providing for the fair and equitable treatment of vendors, suppliers, and contractors;
  - e. Supervising the receipt and inspection of all materials, supplies, equipment, and services purchased to ensure conformance with specifications;
  - f. Notifying vendors of purchase award;
  - g. Obtaining approvals according to Table 1 (5080.4).

5080.4 **Table 1-Purchasing Requirements and Authorization Table**

Purchase Level	Purchase Amount	Solicitation	Required Documentation	Minimum Purchase Approval Levels
1	\$0.00-\$5,000.00	Not Required <sup>1</sup>	Invoice or Receipt	Directors <sup>2</sup>
2	\$5,000.01-\$20,000.00	Informal Quotes	Purchase Orders <sup>3</sup>	General Manager <sup>4</sup>
3	\$20,000.01-\$75,000.00	Three Informal Bids	Purchase Orders <sup>3</sup>	General Manager <sup>4</sup>
4	75,000.01 +	Three Qualifying Bids/Proposals	Service Agreement, Purchase Order <sup>3</sup> , or Contract	Board of Directors

NOTES TO TABLE:

1. Although not required, employees are encouraged to use competitive procurement methods whenever possible, such as by obtaining informal quotes with the appropriate level of approval
2. Approval/signature on invoice of requisite position approving purchase (see 5080.5 Authorized positions) is required prior to submitting to Accounts Payable for payment processing
3. Blanket Purchase Orders are permitted, not to exceed two (2) years
4. The General Manager or his/her designee may approve purchases at this level. General Manager will perform and document a review of all purchases at this level on an annual basis.

5080.5 **Authorized Positions.** Refer to the Organization Chart and Salary Schedule in the most recent annually adopted budget document for the purposes of approving purchases according to Table 1 (5080.4).

5080.6 **Methods of Purchase**

1. Requisition/Purchase Order - Requisitions provide a mechanism for obtaining the approvals necessary for issuance of a purchase order. With few exceptions, a purchase order must be issued prior to ordering goods or signing contracts for public works construction projects or services.
  - a. In general, purchase orders will be closed at the end of each fiscal year. Purchases are expensed from the fiscal year budget in which goods are received, not the fiscal year in which purchase orders are issued;
  - b. Purchase orders representing multiple year contracts will remain open until projects are completed and Finance is notified to close the purchase order;
  - c. Procurements that require approval by the Board do not require electronic requisitions. The purchase order will be created after the Board of Directors has approved the contract. The purchase order will then be delivered to the related Department;
  - d. In no case shall a contract be signed and purchase order issued unless sufficient funds have been budgeted and appropriated, or identified in the Capital Improvement Plan reviewed with the Board during the annual budget process.
2. Payment Request
  - a. A payment request can be used to initiate payment for purchases not requiring a purchase order, such as for purchases of less than that identified in Table 1 (5080.4) as a Level 1 purchase, including purchases made by credit card, and non-discretionary purchases/payments. Credit card payments are not to be made for purchases higher than Level 1 unless approved by the General Manager in writing on a case-by-case basis.

5080.7 **Competitive Selection Process**

1. General - All procurements for materials, supplies, equipment, services, and public works construction projects shall employ a competitive selection process whenever practicable.
2. Bids shall be awarded to the "responsive" and "responsible" bidder who submits the lowest bid that is most advantageous to the District:
  - a. Responsive shall mean a bidder whose bid is in conformance with the requirements of the bid solicitation, including specifications and the District's terms and conditions. Bidders who substitute terms and conditions or who qualify their bids in such a manner as to limit their liability may be considered non-responsive;
  - b. Responsible refers to the ability of the bidder to successfully fulfill a contract. Prospective bidders may be requested to provide proof of financial resources, a list of current or previous customers, and other pertinent data. Such action may be taken after receipt of bids.
3. In determining the lowest "responsible" bidder, the following elements shall be considered in addition to price:
  - a. That the products offered provide the quality, fitness, and capacity for the required usage;
  - b. That the bidder has the ability, capacity and skill to perform the contract satisfactorily and within the time required;
  - c. The bidder's experience(s) regarding past purchases by the District or other public agencies demonstrates the reliability of the bidder to perform the contract.
4. When a bid is recommended to be awarded to someone other than the low bidder, written justification is required. The written statement, signed by the appropriate Supervisor or Manager, Department Director or the General Manager shall be attached to the purchase requisition or Board report.

5080.8 **Definitions.**

1. **Informal Quotes.** For purchases at or less than that identified in Table 1 (5080.4) as a Level 2 purchase, quotes may be obtained through an informal process (e.g., solicitation of pricing via internet search, email or telephone inquiry). Documentation of the quotes is required.
2. **Informal Bids.**
  - a. For procurement of materials, supplies, equipment, and services of an amount identified in Table 1 (5080.4) as a Level 3 purchase, at least three vendors must be contacted for bids/price quotations via one of the following solicitation methods: written request, email, telephone, legal advertising, or public notice (including District website).
  - b. Regardless of solicitation method, all vendors must receive the same information about specifications and requirements of the product or service, and all bids submitted must be kept in confidence until the bid is awarded. Vendors will be advised that they will be notified only if they submitted the successful bid.
  - c. All bids received must be documented and retained by the requesting department for two years or in accordance with the District's records retention requirements as identified in District Policy 5090 Records Retention.
  - d. When a qualified vendor, who has been requested to submit a bid, has not responded by the bid date provided in the request, the bidder is deemed non-responsive. As long as two other vendors have submitted qualifying bids, the non-responsive bidder is considered one of the three bids.
3. **Qualifying bids/proposals – Supplies, Equipment, Non-Professional Services, and Public Works Construction Projects.** For all procurement of materials, supplies, equipment,

non-professional services, and public works construction projects in excess of an amount identified in Table 1 (5080.4) as a Level 3 purchase, formal bidding procedures will be used, in conjunction with the Competitive Selection Processes described above. Non-Professional Services do not require professional certifications. Non-exhaustive examples include: construction, landscape maintenance, janitorial, and uniform cleaning. Formal bidding procedures are as follows:

- a. Advertisement for bid in at least one (1) local newspaper of general circulation, the local contractors online bidding platforms, and the District website;
  - b. The bid opening is open to the public and will be specified in the bid documents;
  - c. The General Manager and/or Board of Directors shall make their selection on the basis of the lowest responsible bidder after a thorough evaluation of bids.
4. **Qualifying bids/proposals – Professional Services.** Professional service providers are those persons or firms specially trained to provide services in connection with financial, economic, accounting, engineering, administrative, or other matters involving specialized expertise or unique skills. When selecting a vendor for professional services, cost will not be the prominent criterion in evaluating proposals. Proposals for these services will be evaluated based on a combination of factors that result in the best overall value to the District. For all procurement of professional services in excess of an amount identified in Table 1 (5080.4) as a Level 2 purchase, Request for Proposal procedures will be followed.

5080.9 **Exceptions to Competitive Solicitation Requirements.** The competitive solicitation process and approval levels will not be required for the procurement of materials, supplies, equipment, and services under the following circumstances:

1. **Non-Discretionary Purchases.** These purchases/payments are not readily adaptable to the open market and competitive selection process. Non-discretionary purchases are generally included in the District's operating budget and do not require the issuance of a purchase order. Payments in excess of the General Manager's authorization limit do not require separate Board approval. Examples of non-discretionary purchases include, but are not limited to:
  - a. Utilities
  - b. Insurance premiums (worker's compensation, general liability, etc.)
  - c. Bank charges and fees
  - d. Payroll disbursements, payroll checks, deductions, deposits and tax payments that are supported by a payroll report
  - e. Software license maintenance
  - f. Memberships, dues and subscriptions
  - g. Permitting and other regulatory fees
  - h. Water purchases and related expenses
  - i. Debt service payments
2. **Cooperative Procurement.** The District may participate in, or reference purchases and contracts established by other political jurisdictions, provided the referenced cooperative purchase agreement is established following a competitive bid process. The District's subsequent cooperative purchase agreement may be authorized according to Table 1 (5080.4).
3. **Inventory Replenishment.** Purchases to replenish the District's warehouse inventory within established inventory re-order levels require no prior authorization provided that the vendor

being utilized has been selected via procedures set forth herein within the last twenty-four months as the designated vendor for the items, or class of items, to be purchased.

4. **Piggyback.** "Piggyback" purchases or leases, when the General Manager determines it is in District's best interest to utilize the contracts of other governmental agencies or non-profit governmental entities.
5. **Sole Source.** The General Manager has the final responsibility for determining whether a sole source requisition meets the requirements of this policy for all purchases lower than that identified in Table 1 (5080.4) as a Level 3 purchase. When a request is made for a purchase and the specifications limit the bidding to one source and/or brand or trade name, the requesting department must complete the appropriate form, which shall be authorized by the requesting department's Director and approved by the General Manager or his/her designee. Instances when sole source purchasing may be applicable include the following:
  - a. Property or services can be obtained only from a specific vendor (i.e., materials or equipment; one-of-a-kind items, etc.);
  - b. Competitive sourcing is precluded because of the existence of patents, copyrights, and special processes, control of raw materials by vendors or similar circumstances;
  - c. Procurement of utility service such as telephone, power or other such item where the rates or prices therefore are fixed by legislation, government regulation or contract;
  - d. Procurement of support services in connection with the assembly, installation or servicing of equipment manufactured by a particular supplier;
  - e. Procurement of parts or components to be used as replacements in support of equipment manufactured by a particular supplier;
  - f. Procurement involving construction where a contractor is already at work on the site, and it would not be practical to engage another contractor;
  - g. Procurement where only a single supplier in a market is licensed or authorized to service or sell a specific product line;
  - h. Procurement of compatible additions to existing equipment where a different manufacturer's equipment would be impractical for the specific need;
  - i. The supplier or products are specified and required by the funding agency of a grant or Federal/State contract.

A Sole Source form shall be completed and signed by the General Manager one time per calendar year per vendor for recurring purchases from said vendor or when increments of purchase exceed \$20,000.

5080.10 **Vehicles.** Vehicles may be purchased in accordance with Table 1 of subsection 5080.4, in conjunction with the District's Capital Improvement Plan approved by the Board of Directors. Consideration of all relevant logistical and economic factors shall be given to assure the most reasonable and cost effective purchase. Consideration shall also be given to delivery schedules and availability of inventory.

5080.11 **Emergency Purchases.** The procedures and guidelines for emergency purchases are as follows:

1. Emergency purchases may be made without competitive bidding when unforeseen circumstances present an immediate risk of:
  - a. Harm or hazard to the public health, safety and welfare;
  - b. Damage to District property; or

- c. Serious interruption of District essential services.
2. Since emergency purchases do not normally provide the District with an opportunity to obtain competitive quotes, sound judgement shall be used in keeping such orders to an absolute minimum. In addition, the following requirements shall apply:
    - a. The Finance and Administration Department shall be contacted as soon as possible to obtain a purchase order number.
      - i. Documentation explaining the circumstances and nature of the purchase shall be maintained by the Supervisor, General Manager or Department Director.
    - b. Emergency purchases at Level 4 of Table 1 (5080.4) require notification of the General Manager within 24 hours.
  3. The General Manager will notify the President and/or Vice President of the Board of Directors within an additional 24 hours. If the emergency purchase causes any budget line item to exceed the approved budget, it shall be the responsibility of the department requesting the purchase to obtain subsequent Board of Directors approval of reserve funding or to make a budget transfer to cover the purchase.
  4. Approvals for a budget transfer must be given by the appropriate Supervisor or Manager as determined by Table 1 (5080.4).
  5. All emergency purchases shall be reported to the Board of Directors.

5080.12 **Change Orders.** Any change to the scope, price, or material terms of a purchase order or contract shall be documented by a written change order, except as provided below.

1. Increases attributable solely to taxes, shipping, or handling charges required by law or standard commercial practice do not require a change order, provided such increases are reasonable and documented.
2. The General Manager may approve change orders to purchase orders or contracts for the procurement of materials, supplies, equipment, services, and public works construction projects provided:
  - a. The change order is within the original scope of the purchase order or contract and does not cause expenditures to exceed the adopted budget;
  - b. The cumulative total of all change orders not exceed 10% of the original purchase order or contract amount; and
  - c. The total purchase order or contract amount, including all change orders, does not exceed the applicable approval threshold in Table 1 (5080.4).
3. Any change order that causes the total purchase order or contract amount to exceed the applicable Table 1 approval threshold shall require approval at the higher authorization level specified in Table 1, including Board of Directors approval where applicable.