RESOLUTION NO. 2026-25

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS ADOPTING A PURCHASING POLICY

WHEREAS, the Heber Public Utility District ("District") purchases goods, equipment, materials, and services necessary to operate and maintain District facilities and provide public services; and

WHEREAS, the Board of Directors desires to establish clear purchasing procedures that promote competition, accountability, responsible expenditure of public funds, and compliance with applicable laws; and

WHEREAS, the proposed Purchasing and Procurement Policy establishes procurement methods, approval authority, documentation requirements, and responsibilities for District officials and employees; and

WHEREAS, the policy addresses competitive solicitations, contract administration, exceptions to competition, emergency purchasing, and requirements applicable to public works and grant-funded purchases; and

WHEREAS, the Board desires to adopt Policy No. 3080, Purchasing and Procurement, attached as Exhibit A, to replace the District's existing Purchasing Policy No. 3080.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Heber Public Utility District as follows:

1. Adoption of Policy.

Policy No. 3080, Purchasing and Procurement, attached as Exhibit A and incorporated herein by reference, is hereby approved and adopted.

2. Replacement of Existing Policy.

Effective upon adoption of this Resolution, the attached policy replaces the District's existing Purchasing Policy No. 3080. Other District policies remain in effect unless separately amended by the Board.

3. Purchasing Authority.

The General Manager and designated District employees shall exercise purchasing authority only within the limits and conditions established in Exhibit A. Purchases and contracts reserved to the Board by law or policy require Board approval.

4. Budget Authorization.

Adoption of this Resolution does not appropriate additional funds or amend the District's budget. All purchases must comply with applicable budget authorization and expenditure approval requirements.

5. Implementation.

The General Manager is authorized and directed to implement the policy, communicate its requirements to District employees, and establish administrative forms and procedures consistent with its provisions. Changes to approval limits or substantive policy requirements shall require Board approval.

6. Compliance and Coordination.

The policy shall be administered consistently with applicable laws, funding conditions, and other District policies. The General Manager shall present any necessary conforming amendments to related District policies for Board consideration.

7. Existing Contracts.

Adoption of this policy does not modify the terms of existing executed contracts. Future procurement actions and contract amendments shall comply with the policy to the extent applicable.

8. Official Records.

The Clerk of the Board is directed to maintain this Resolution and Exhibit A in the District's official records and incorporate the adopted policy into the District's policy manual.

9. Effective Date.

This Resolution and the attached policy shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Board of Directors of the Heber Public Utility District on this 18th day of November, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

By: _____ By: _____

Jacob Bermudez, Clerk of the Board

Delfino Matus, Board President

APPROVE AS TO FORM:

By: _____

Steve Walker, General Counsel

RESOLUTION NO. 2026-25

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS ADOPTING A PURCHASING POLICY

STATE OF CALIFORNIA

COUNTY OF IMPERIAL

HEBER PUBLIC UTILITY

DISTRICT

I, Jacob Bermudez, Board Secretary of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 18th day of November, 2026.

By: _____

Jacob Bermudez,

Clerk of the Board

HEBER PUBLIC UTILITY DISTRICT

PURCHASING AND PROCUREMENT

POLICY NUMBER: 3080

EFFECTIVE DATE: November 18, 2026

3080.1 PURPOSE

This policy establishes procedures for purchasing goods, equipment, materials, and services necessary to conduct Heber Public Utility District business. Its objectives are to obtain appropriate value, encourage competition, protect public funds, and establish clear purchasing responsibilities.

3080.2 APPLICATION

This policy applies to all District departments, employees, and persons conducting procurement on the District's behalf.

Applicable laws and funding conditions control over conflicting provisions of this policy. Public works and professional services subject to special selection requirements shall follow those requirements regardless of the general purchasing thresholds below.

Upon adoption, this policy replaces Policy 3080. The adopting resolution shall identify any corresponding revisions needed to other District policies.

3080.3 RESPONSIBILITIES

Board of Directors. The Board adopts this policy, establishes purchasing authority, approves required budget amendments, and awards contracts reserved to the Board by law or this policy.

General Manager. The General Manager administers this policy, approves purchases within delegated authority, and executes contracts authorized by the Board. Any delegation to employees must be written and specify its scope and dollar limit.

Finance Manager. The Finance Manager verifies funding, maintains purchasing records, administers purchase orders, and confirms that payment requests have appropriate supporting documentation.

Grants Manager. For grant-funded purchases, the Grants Manager identifies procurement conditions, required approvals, and documentation obligations before solicitation.

Requesting Department. The requesting department defines the need, prepares specifications, estimates total cost, and verifies satisfactory delivery or performance.

3080.4 BUDGET AND PURCHASE VALUE

Purchases must serve a District purpose and have sufficient authorized funding. Budget approval alone does not authorize a contract award.

The procurement value shall include the complete anticipated commitment, including taxes, freight, installation, associated services, and reasonably anticipated options or renewals.

Employees shall not divide purchases, projects, invoices, or contract terms to avoid competition or approval requirements.

3080.5 GENERAL PROCUREMENT METHODS

The following tiers apply to goods and ordinary services unless a different procedure is required by law, funding conditions, or another provision of this policy.

Total procurement value	Required purchasing method
$10,000 or less	Document the business need and price reasonableness. Competitive quotations are encouraged when practical.
More than $10,000 through $200,000	Seek at least three written quotations from qualified vendors. Document vendors contacted, responses, and the selection rationale.
More than $200,000	Conduct a publicly advertised formal solicitation using an appropriate invitation for bids, request for proposals, or request for qualifications.

If fewer than three quotations are received, staff shall document outreach and explain whether proceeding provides adequate competition and reasonable pricing. The General Manager must approve that determination before award within delegated authority; Board approval remains required when applicable.

These thresholds determine the purchasing method, not the authority to approve the expenditure.

3080.6 APPROVAL AUTHORITY

The following limits are proposed for adoption:

Approving authority	Authority
General Manager	Budgeted purchases and contracts totaling $50,000 or less, subject to applicable law and this policy.
Board of Directors	Purchases and contracts exceeding $50,000; expenditures requiring a Board-approved budget amendment; and matters otherwise reserved to the Board.
Other employees	Only purchases expressly covered by written delegation from the General Manager, within the General Manager's authority.

The Finance Manager shall verify available funding before commitment. Only an authorized signatory may bind the District.

3080.7 FORMAL SOLICITATIONS

An **Invitation for Bids** shall be used when requirements can be clearly specified and award is based on the lowest responsive bid from a responsible bidder.

A **Request for Proposals** may be used when lawful selection depends on factors such as technical approach, experience, service quality, implementation, and cost. Evaluation criteria and their relative importance shall be disclosed in advance.

A **Request for Qualifications** may be used to assess professional qualifications or establish a qualified pool. Where qualifications-based selection is legally required, staff shall follow the applicable ranking and negotiation process.

Solicitations shall identify the scope, submission requirements, evaluation method, anticipated contract terms, deadline, and protest procedure. Evaluators shall document their conclusions and disclose conflicts of interest.

3080.8 SOLICITATION CHANGES AND DEADLINES

The General Manager may extend solicitation deadlines through a written addendum issued before the existing deadline, unless the Board has expressly reserved that decision.

Addenda shall be made available through the same distribution channels as the solicitation and provided to known participating vendors. Material changes shall allow sufficient response time.

A deadline extension does not authorize additional spending, a contract award, or a material change to a Board-approved project scope.

3080.9 PUBLIC WORKS

Before soliciting construction, alteration, repair, installation, or maintenance work, staff shall determine the applicable statutory bidding and award requirements in consultation with District Counsel.

The general purchasing tiers do not authorize informal procurement where public works law requires competitive bidding.

Solicitation documents shall include applicable requirements for contractor licensing, prevailing wages, contractor registration, bid security, performance and payment bonds, insurance, and subcontractor identification.

Any alternative public works procurement procedure may be used only after confirming the District's legal eligibility and completing required Board actions.

3080.10 EXCEPTIONS TO COMPETITION

Exceptions shall be narrowly applied and documented. An exception to competition does not waive funding or approval requirements.

Sole source. Staff must explain why only one reasonably available source can meet the District's requirements, identify alternatives considered, and establish price reasonableness.

Direct procurement. Where multiple sources exist, a noncompetitive purchase requires a written explanation of the District benefit and prior Board approval, except for small purchases expressly permitted under Section 3080.5 or properly authorized emergencies.

Cooperative purchasing. The District may use another public agency's competitively awarded agreement when legally permitted. Staff shall verify the original competition, contract scope, eligibility to participate, pricing, and applicable funding conditions.

Emergency purchasing. Emergency procurement shall be limited to actions necessary to address an immediate threat to health, safety, property, or essential service. The General Manager may act only within authority lawfully delegated by the Board. Required findings, votes, reporting, and continuing review shall be completed. Poor planning alone does not establish an emergency.

3080.11 LOCAL VENDOR PARTICIPATION

Staff shall encourage participation by qualified local vendors.

No numerical local preference is established by this draft. Any preference requires separate Board adoption specifying eligibility, calculation, exclusions, and compatibility with applicable law and funding conditions.

3080.12 CONTRACTS AND CHANGES

Purchase orders or written agreements shall be approved before ordering or commencing work, except under properly authorized emergency procedures.

Agreements shall define deliverables, compensation, schedule, acceptance standards, insurance, termination rights, and applicable funding conditions.

Amendments must be evaluated using the cumulative contract amount. An amendment exceeding the General Manager's authority, changing a Board-approved scope materially, or

exceeding a Board-approved contract ceiling requires prior Board approval unless the Board has expressly and lawfully delegated that authority.

3080.13 ETHICS

District officials and employees shall disclose potential conflicts and refrain from participation when required. Procurement decisions shall not be influenced by gifts, personal relationships, or private benefit.

Vendors shall receive consistent information. Confidential procurement information shall be protected subject to applicable disclosure law.

3080.14 RECEIVING AND PAYMENT

The requesting department shall confirm that goods or services conform to the purchase authorization before payment.

Finance shall reconcile the invoice, purchase authorization, and evidence of receipt or accepted performance. Disputed charges shall be resolved before payment of the disputed portion.

Purchasing cards and employee reimbursements remain subject to this policy and any additional applicable District procedures.

3080.15 RECORDS, PROTESTS, AND OVERSIGHT

Procurement files shall contain approvals, funding verification, solicitations, quotations, evaluations, exception findings, executed agreements, amendments, and payment documentation.

Each formal solicitation shall state protest deadlines, submission requirements, reviewing authority, and appeal procedures. The reviewing official shall avoid conflicts and issue a written determination.

Records shall be retained under the District's retention schedule and applicable funding requirements.

The General Manager shall provide quarterly reports identifying delegated contract awards, noncompetitive purchases, emergency actions, and material amendments.

3080.16 RELATED POLICIES AND REVIEW

Purchasing shall comply with the District's applicable environmental purchasing, records retention, surplus property, and expenditure authorization policies.

The General Manager shall review this policy annually and recommend revisions. Changes to approval limits or substantive requirements require Board action.