

CRESTLINE SANITATION DISTRICT

*MEMORANDUM*

**DATE:** AUGUST 12, 2021

**TO:** BOARD OF DIRECTORS  
Crestline Sanitation District

**FROM:** Rick Dever  
General Manager

**SUBJECT:** *Wood Chipper Purchase*

**A. RECOMMENDATION**

I recommend the Board of Directors approve the purchase of a wood chipper for District use to not exceed \$23,000.00 from Cal-Line Equipment.

**B REASON FOR RECOMMENDATION**

Extreme drought and for fire hazard abatement. Fenner Canyon inmates can still come up and do brush removal and chip what they gather. Staff will then reuse the chippings for weed control and to reduce fire danger.

**C. OTHER INFORMATION**

A place holder for a chipper was placed in the Districts' fiscal year budget CIP list for 2021/2022 for the amount of \$25,000.00.

**D. FISCAL INFORMATION**

The lowest quote came from Cal-Line Equipment Inc. at \$22,469.11. The recommendation to not exceed \$23,000.00 is to cover any unforeseen costs.

**E. ATTACHMENTS**

Quote #125089 from Cal-Line Equipment, Inc  
Resolution #025 Purchasing Policy and Procedures





Cal-Line Equipment Inc.  
 13030 Firestone Blvd  
 Santa Fe Springs, CA 90670  
 USA  
 562-392-8522 (Phone)

### QUOTATION

Quote #	Quote Created	Last Updated	Salesperson
<b>125089</b>	April 12, 2021 03:43 PM by Cal-Line Equipment Inc.	August 4, 2021 03:41 PM by Cal-Line Equipment Inc.	Tyler Knoll

**CUSTOMER:**

Crestline Sanitation District  
 24516 Lake Dr  
 Crestline, CA 92325  
 USA  
 (909)961-7594 (Phone)  
 David Crabtree (Contact)  
[dcrabtree@crestlinesanitation.com](mailto:dcrabtree@crestlinesanitation.com)

### MODEL 75XP (7" DISC STYLE) BRUSH BANDIT

Qty	Part #	Description
1	<b>MODEL-75</b>	Model 75XP - (7" Disc Style) Brush Bandit

### STANDARD EQUIPMENT

Qty	Part #	Description
1	<b>STANDARD</b>	26" diameter x 3/4" thick (2 knife pocket) chipper disc, each pocket equipped with (1) 1/2" x 4" x 8 3/8" dual edge knife.
1	<b>STANDARD</b>	7 gallon Flambeau EPA Plastic tank with carb canister and fuel gauge
1	<b>STANDARD</b>	7 gallon steel hydraulic tank with magnetic drain plug
1	<b>STANDARD</b>	Hinged yoke assembly with a single 10 5/8" diameter x 11 1/2" wide feed wheel
1	<b>STANDARD</b>	Top feed wheel jack mount with locking pin to raise & lock top feed wheel using tongue jack
1	<b>STANDARD</b>	360 degree manual swivel discharge with 12" adjustable chip deflector
1	<b>STANDARD</b>	Clean out and inspection door on discharge
1	<b>STANDARD</b>	24" high x 42" wide tapered infeed hopper with 30" fold down infeed tray
1	<b>STANDARD</b>	(2) Last chance safety pull cables
1	<b>STANDARD</b>	Round control bar - located around top and sides of infeed hopper with 3 control positions (forward / stop / reverse)
1	<b>STANDARD</b>	Wooden pusher tool with mount on infeed hopper
1	<b>STANDARD</b>	3/16" x 2" x 4" rectangular tubing with a 1/4" x 2" x 4" tubular tongue
1	<b>STANDARD</b>	1/4" (G70) safety chains with spring loaded latch hooks
1	<b>STANDARD</b>	2,000 pound capacity tongue jack with 15" of travel and foot pad
1	<b>STANDARD</b>	12 volt system with rubber mounted LED taillights, 6 prong replaceable coiled power cord & protected heavy-duty wiring with junction box, and LED clearance lights with reflectors.
1	<b>STANDARD</b>	Banded chipper drive belts (adjustable via a sliding engine system)
1	<b>STANDARD</b>	Pressure check kit for 65/75 - Single Wheel - Gauge is NOT included
1	<b>STANDARD</b>	Weather resistant manual container
1	<b>STANDARD</b>	Engine disable plug for hood locking pin-preventing engine from operating without pin in place
1	<b>STANDARD</b>	(1) weatherproof machine manual (includes safety, operation and parts sections) also (1) engine and clutch manual is included if applicable
1	<b>STANDARD</b>	Spanish & English combination safety decals

### OPTIONS

1	<b>333-28984</b>	Standard Imron Industrial Urethane Green
1	<b>990-RC0747-328</b>	Vanguard 613477, 35 horsepower gas engine (Includes 3 year / 2,000 hour engine warranty)



- 1 **990-100439** - Single 2,200 pound non-brake Torflex EZ lube axle
- 1 **990-100403** (2) 20.5 x 8" x 10" tires mounted on 5-bolt white solid rims
- 1 **990-100411** 10 gauge steel weld on fenders
- 1 **990-100276** 2" Fulton Ball Hitch
- 1 **OPTION-626-1000-** Auto feed (non-reversing) with IEC tach
- 1 **OPTION-905-5000-** Option 7 Prong (Flat/RV Style) to 6 Prong Coiled Cord

**CUSTOMER TOTALS**

<b>Total Unit Price:</b>		<b>\$ 23170.00</b>
<b>Customer Discount:</b>	10.0000 %	<b>- \$ 2317.00</b>
<b>Customer Net Unit Price:</b>		<b>\$ 20853.00</b>
<b>Sales Tax:</b>	7.7500 %	<b>\$ 1616.11</b>
<b>Customer Total:</b>		<b>\$ 22469.11</b>

**COMMENTS**

*Comment*

*By Cal-Line Equipment Inc. on 04/12/2021 03:45 PM*

Sourcewell or CMAS contract purchasing available

**SIGNATURE**

The Buyer, whose name and address appears above, agrees to purchase from the Seller, whose name and address appears above, the above equipment at the prices stated and upon the terms and conditions of this agreement.

X \_\_\_\_\_  
Signature

\_\_\_\_\_  
Date





## TERMS AND CONDITIONS

1. Buyer agrees to grant Bandit Industries, Inc., a security interest in the equipment covered by this order unit said equipment is paid in full.
2. This is a shipment contract and the goods shall be delivered F.O.B. Bandit Industries, Inc., Remus, Michigan. The risk of loss of the goods shall pass to the buyer as the goods are tendered to the carrier.
3. In the event Buyer defaults in the payment of any amounts due hereunder immediately due and payable without notice or demand, and shall have all of the remedies of a secured party under the Uniform Commercial Code and any other applicable laws. Upon repossession of the equipment by Seller, any notices required to be given by Seller to Buyer with respect to the sale or other disposition. In the event of a default, Buyer agrees upon Seller's request to make the equipment available to the Seller at such place as Seller may designate.
4. The Buyer agrees to keep the above described property insured against loss or damage by fire, wind, theft and accident by an insurance company or companies is to be payable to the Seller as its interest may appear, and the policies to be delivered to and retained by the Seller until the purchase price is paid in full. Such insurance coverage shall begin when Seller tenders the goods to the carrier.
5. Any tax other governmental charge upon the production, sales, or shipment of the goods sold hereunder, now imposed, or hereafter becoming effective during the term of this agreement, shall be added to the price herein provided, and shall be paid by the Buyer to the Seller.
6. This shall become a binding contract and effective as of the date when, but not before, either:
  - o (a) It has been accepted by the Seller at its executive office, or
  - o (b) The equipment has been delivered to the Buyer with or without acceptance in writing. Notice of acceptance is hereby waived by the Purchaser. The Purchaser acknowledges receipt of a true and complete copy of its sales agreement.
7. Seller shall not be responsible for failure to ship according to the terms and conditions of this contract, where such failure is caused by any fires, strikes, labor difficulties, failure of carriers to furnish facilities or acts of carriers, or other causes beyond the control of Seller: Provided that when such failure does not exist Seller shall perform this contract within a reasonable time.
8. There are no understandings, agreements, or representations, express or implied including any recording, merchantability, or fitness for a particular purpose, not specified herein, respecting this contract or the equipment hereunder. The contract and warranty are intended by the parties as a final expression of their agreement and are intended as a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any terms used in this agreement. Acceptance or acquiescence in a course of performance rendered under this agreement shall not be relevant to determine the meaning of this agreement even the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used in this agreement the definition contained in the Code is to control.
9. No agent, employee or representative of the Seller has any authority to bind the Seller to any affirmation, representation or warranty concerning the goods sold under this agreement, and unless an affirmation, representation or warranty made by an agent, employee or representative is specifically included with this written agreement, it has not formed a part of the basis of this bargain and shall not in any way be enforceable by the Buyer.
10. This agreement can not be modified or rescinded only by a writing signed by both of the parties or their duly authorized agents.
11. This agreement shall be governed by the Uniform Commercial Code. Whenever the term "Uniform Commercial Code" is used, it shall be construed as meaning the Uniform code as adopted by the State of Michigan as effective and in force on the date of this agreement.
12. The counterpart of this contract held by the Seller shall be considered the original and shall be the binding agreement in case of a variance in any particular between in and the signed copy.





**CRESTLINE SANITATION DISTRICT**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**Purchasing Policy and Procedures**  
**RESOLUTION NO. 025**

**Section 1. Purpose**

The purposes of this policy are to standardize the purchasing procedures of the Crestline Sanitation District, thereby securing for the District the advantages of a centralized and uniform purchasing policy saving the taxpayers money and increasing public confidence in the procedures for District purchasing; to promote the fair and equitable treatment of all consumers and suppliers of goods and services; and to set forth the duties and responsibilities of the General Manager and District staff.

**Section 2. Definitions**

**A) Approved Vendors** – means those vendors approved by the General Manager for bidding purposes after satisfactory compliance with the Pre-Qualification Program contained in Section 7 below. The detailed list of Approved Vendors shall be on file at the District office at all times.

**B) Bid Most Advantageous To The District** – means the Lowest Responsible bidder on a District project that is subject to Competitive Bidding from among those bids that are deemed to be Responsive to the Specifications.

**C) Board** – means the Board of Directors of the District.

**D) Capital Expenditure** – means all major expenditures of a non-recurring nature such as new buildings, major remodeling projects and major equipment Purchases. Excluded from this definition shall be all in-house projects unless the cost of the materials alone exceeds \$5,000.

**E) Competitive Bidding** – means the process of obtaining the Bid Most Advantageous To The District for any Purchase conducted through a Formal Bid or Informal Bid.

**F) District** – means the Crestline Sanitation District.

**G) Formal Bid** – means a written quotation obtained in a sealed envelope from an Approved Vendor, or through District direct solicitation, public announcement, or published advertisement and opened at a specific day, place, and time. Bidders can be from the Approved Vendor's list or from bidders responding to advertisements or openly solicited requests for bids. Notice inviting bids for any contract requiring Competitive Bidding shall be published at least one time in a local newspaper of general circulation within the District.

**H) Informal Bid** – means a written or oral quotation obtained from an Approved Vendor, but not required to be opened publicly at a specified day, place, and time.

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**I) Lowest** – means the smallest bid in monetary terms received by the District for the cost of a project subject to Competitive Bidding.

**J) Plans** – means drawings or diagrams made to scale showing the structure or arrangement of a construction project, or a method or program showing a level of service or benefit defined within a contract. Plans will become part of the awarded contract. All bidders will be afforded an opportunity to examine the Plans.

**K) Purchase** – means buying, renting, leasing or otherwise acquiring Supplies or Services for a price.

**L) Responsible** – means the Lowest bidder who possesses the trustworthiness, quality, fitness, ability, capacity, and experience to satisfactorily perform a District project subject to Competitive Bidding. When the Lowest bidder is found not to be Responsible, the District must notify the bidder of this finding and the evidence upon which the finding was based, and the District must afford the bidder an opportunity to rebut such adverse evidence, and permit the bidder to present evidence that the bidder is Responsible.

**M) Responsive** – means a bid received by the District for a project subject to Competitive Bidding that substantially conforms to the bid Specifications and all applicable statutory requirements. A bidder is not entitled to a hearing on the question of Responsiveness, but is entitled to notice and the right to submit materials to the Board or the District's General Manager before a decision is made.

**N) Services** – means all labor furnished to the District by persons, firms, individuals or corporations not part of or connected with the District.

**O) Sole Source Contractor** – means a contractor or consultant that has been evaluated to provide unique or specialized Services or Supplies that cannot be obtained from other contractors or consultants. Such designation must be approved by the Board.

**P) Specifications** – means standards, including quality, set by the General Manager, supervisory staff or consultants as a guide and as a measure of that which successful vendors must achieve. Specifications shall be either technical specifications for bids, which shall state formulations as broadly as practicable, yet shall be specific enough to describe the requirements of the District or non-technical specification for bids, which shall state the quality required in general terms. Specifications will become part of the awarded contract. All bidders will be afforded an opportunity to examine the specifications.

**Q) Splitting Purchases** – means the intentional separation of a District project into smaller portions in order to avoid any of the Purchasing limits established by this policy.

**R) Supplies** – means all materials and equipment.

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**Section 3. Applicability**

This policy shall apply to all Purchases made by the District, except as otherwise specified herein. In implementing this policy, District employees are prohibited from Splitting Purchases.

**Section 4. Purchasing Limits for District Force Account**

When work is performed by the District itself by force account, the amount of any Purchases made by the District in connection therewith shall not exceed \$5,000.

**Section 5. Competitive Bidding for Purchases**

The District must comply with the following Competitive Bidding requirements when the amount of any Purchase exceeds \$25,000:

- A) **Formal Bids.** All Purchases that exceed \$25,000 shall be contracted for and let to the Bid Most Advantageous to the District after notice. If two or more bids are the same and the Lowest, the Board may accept the one it chooses. If no bids are received, the Board may make the Purchase without further bid.
  
- B) **Notice.** The District shall publish a notice inviting bids for any contract for which Competitive Bidding is required. The notice inviting bids shall set a date for opening the bids and distinctly state the work to be done. The first publication or posting of said notice shall be at least ten days before the date of opening the bids. The notice shall be published at least twice, not less than five days apart, in a newspaper of general circulation, printed and published in the District, or if there is none, it shall be posted in at least three public places in the District that have been designated by the Board as the places for posting such notice.
  
- C) **Bid Security.** All bids for construction work shall be presented under sealed cover and shall be accompanied by bidder's security in the form of either cash, a cashier's check made payable to the District, a certified check made payable to the District, or a bidder's bond executed by an admitted surety insurer made payable to the District. Upon an award to the bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the District beyond 60 days from the time the award is made.
  
- D) **Rejection of Bids.** In its discretion, the Board may reject any bids presented and readvertise. The Board may also waive a minor bid irregularity that does not give an unfair advantage to another bidder. However, the Board is under no obligation to waive bid irregularities. If all bids are rejected, the Board, on a resolution adopted by a four-fifths vote, may declare that the Services can be performed more economically by day labor, or the Supplies furnished at a lower price in the open market and may have the work done in a manner stated in the resolution in order to take advantage of this lower cost.

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- E) **Emergencies.** In the case of an emergency, the District may proceed in accordance with Section 8 below. If there is a present or anticipated great public calamity, including an extraordinary fire, flood, storm, or other disaster, the Board may, by resolution adopted by a four-fifths vote declaring that the public interest and necessity demand immediate expenditure of public money to safeguard life, health, or property, expend any sum required in the emergency without submitting the Purchase to bid.
- F) **Record.** The District shall keep cost records of the work in the manner provided in Government Code Section 4000 et seq.

**Section 6. Purchasing Requirements for Other Contracts**

The District must comply with the following requirements with respect to Purchases that are not subject to the provisions of Sections 4 and 5 above:

A) **Formal Bids.** Purchases shall be made by Formal Bid whenever such method is feasible and practical under existing conditions and circumstances.

B) **Record of Bids.** The District's General Manager shall keep a record of all bids submitted, and such record shall be open to proper inspection by any interested party within a reasonable amount of time.

C) **Approval**

1) No Purchase of Supplies or Services shall be made by any District staff without the approval of the General Manager. Notwithstanding the above, the District's Operations Manager, Lead Maintenance Worker III, and Lead Treatment Plant Operator III may Purchase Supplies or Services in an amount not exceeding \$2,500 if the Supplies or Service has been approved on an open purchase order ("P.O.") and the staff person is identified as an authorized purchaser on the P.O.

2) No single Purchase of Supplies or Services exceeding \$15,000 shall be made by the District's General Manager without the approval of the Board.

D) **Exemptions to Competitive Bidding.** Notwithstanding the basic policy that the procurement of Services and Supplies shall be on a Competitive Bidding basis to the maximum practical extent, Purchases may be negotiated when one of the following circumstances is present:

- 1) When the total dollar value of the Purchase does not exceed \$15,000.
- 2) When an emergency exists, the District may proceed in accordance with Section 8 below.
- 3) When the Purchase is for professional services.

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4) When a Sole Source Contractor has been designated.

5) When Competitive Bidding would fail to produce an advantage and/or when the advertisement for Competitive Bidding would be undesirable, impractical, or impossible.

**E) Purchasing Procedures & Policies.** The Purchase of Services and Supplies shall be on the basis of Competitive Bidding to the maximum practical extent. However, whenever Supplies or Services are procured by Competitive Bidding, negotiation, price quotations or other evidence of reasonable prices and other vital matters deemed necessary by the District's General Manager shall be solicited by the maximum number of qualified sources of Supplies or Services consistent with the nature of and requirements for the Supplies or Services to be Purchased, in accordance with the basic policies set forth below:

1) Purchases - Not to Exceed \$5,000. When the General Manager considers prices to be fair and reasonable and when the total amount of the Purchase does not exceed \$5,000, procedures and documentation will be simplified to the maximum degree possible. The General Manager shall establish such rules of procedures for such Purchases as he/she feels necessary to insure against abuse of the public interest. Procedures shall include verbal authorization, fax authorization, or other form of written authorization as required.

2) Purchases - \$5,000 to \$15,000. Purchases exceeding \$5,000 but not exceeding \$15,000 in total cost will be supported by a record of price quotations from three (3) different sources or an adequate explanation justifying the absence of such alternate quotes. Such quotations may be obtained in writing, verbally or by such other means as may be prescribed by the General Manager as appropriate to the circumstances. General Manager approval shall be written and become part of the supporting documentation for the Purchase.

3) Purchases - \$15,000 to \$25,000. Purchases exceeding \$15,000 but not exceeding \$25,000 in total cost will be supported by a record of price quotations and Informal Bids or Formal Bids at the discretion of the Board. Criteria to be used for Formal Bid shall be whether or not the Purchase is a Capital Expenditure, a contract for professional services or lease, or an annual purchase order for Supplies, and/or maintenance and repair services. Board approval shall be written and become part of the supporting documentation for the Purchase.

4) Purchases Exceeding \$25,000. Purchases exceeding \$25,000 in value must be approved by the Board prior to award. Request for such approval will be accompanied by a full statement of facts justifying the recommendation for award. Purchases with potential values that may exceed \$25,000 will be advertised at least once in a newspaper of general circulation within the District and at least ten (10) days before the time specified to receive bids. The District may advertise at least once in any appropriate industry publications or periodicals. Specifications, Plans, and bid procedures shall be provided to vendors responding to the advertisement. Bid responses to these advertised bids must be made in a written format. The Specifications and Plans shall become part of the awarded contract.



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**F) Rejection of Bids.** The Board shall have the authority to reject any and all bids received in response to invitations for bids. The Board may also waive a minor bid irregularity that does not give an unfair advantage to another bidder. However, the Board is under no obligation to waive bid irregularities.

**G) Requisitions.** Purchases involving the immediate encumbrance of District funds shall be made only on a written requisition submitted by supervisory staff in such form as required by and approved by the General Manager in accordance with the procedures in this policy. Approval of the requisition shall result in the issuance of a P.O. or District check made payable to the vendor for the materials and supplies or services requested. For purchases where a P.O. is not necessary or accepted by the vendor, but a check is required, a request for a check shall be completed by District staff and approved by the General Manager. The General Manager shall examine each requisition and check request and shall have the authority to revise it as to quantity, quality, or estimated cost upon discussion with the requesting District staff.

**H) Open Purchase Orders.**

1) **Limit under \$15,000.** The General Manager shall have the authority to issue an open P.O. for Services and Supplies to any Approved Vendor in an amount not to exceed \$15,000. All open P.O.'s shall expire at 5:00 p.m. on June 30 of each fiscal year. District staff authorized to purchase on the open P.O. shall be identified on the P.O. and provide District identification to the Approved Vendor for every Purchase.

2) **Limit exceeding \$15,000.** Open P.O.'s exceeding \$15,000 shall be approved by the Board. Approval by the Board can be made during annual budget adoption process when individual open P.O.'s are identified within the budget and made part of the budget adoption resolution. Additional open P.O.'s exceeding \$15,000 opened during the fiscal year must have Board approval before issuance. All open P.O.'s shall expire at 5:00 p.m. on June 30 of each fiscal year. District staff authorized to purchase on the open P.O. shall be identified on the P.O. and provide District identification to the vendor for every Purchase.

**Section 7. Pre-Qualification Program**

**A) Adoption.** All Approved Vendors must be pre-qualified prior to submitting bids for the District's public works projects. It is mandatory that all Approved Vendors who intend to submit bids fully complete the pre-qualification questionnaire, provide all materials requested herein, and be approved by the District to be on the Approved Vendors list.

**B) Applications.** Pre-qualification applications may be submitted four times each year: (1) from January 1 through January 10; (2) from April 1 through April 10; (3) from July 1 through July 10; and (4) from October 1 through October 10. Contractors who submit a complete pre-qualification package will be notified by first class mail of their qualification status, such notice to be mailed no later than fifteen business days after submission of the information.

**C) Questionnaire.** Answers to questions contained in the District's pre-qualification questionnaire, information about current bonding capacity on an aggregate and per project limit,

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notarized statement from surety, and the most recent reviewed or audited financial statements, with accompanying notes and supplemental information, are required. The District will use these documents as the basis of rating Approved Vendors in respect to the size and scope of contracts upon which each Approved Vendor is qualified to bid. The District reserves the right to check other sources available. Each questionnaire must be signed under penalty of perjury in the manner designated at the end of the form, by an individual who has the legal authority to bind the Contractor on whose behalf that person is signing. If any information provided by a Contractor becomes inaccurate, the Contractor must immediately notify the District and provide updated accurate information in writing, under penalty of perjury.

**D) Approval.** Pre-qualification approval will remain valid for one (1) calendar year from the date of notice of qualification, except that the District reserves the right during that calendar year to adjust, increase, limit, suspend, or rescind the pre-qualification ratings based on subsequently learned information and after giving notice of the proposed action to the Contractor and an opportunity for a hearing consistent with the hearing procedures described below for appealing a pre-qualification determination.

**E) Selection.** While it is the intent of the pre-qualification questionnaire and documents required therewith to assist the District in determining bidder responsibility prior to the submission of bids and to aid the District in selecting the Bid Most Advantageous To The District, neither the fact of pre-qualification, nor any pre-qualification rating, will preclude the District from a post-bid consideration and determination on a specific project of whether a bidder has the quality, fitness, capacity, and experience to satisfactorily perform the proposed work, and has demonstrated the requisite trustworthiness. Contractors are encouraged to submit pre-qualification packages as soon as possible, so that they may be notified of pre-qualification status well in advance of upcoming projects. The District reserves the right to waive minor irregularities and omissions in the information contained in the pre-qualification application submitted, to make all final determinations, and to determine at any time that the pre-qualification procedures will not be applied to a future public works project. A contractor may be found not pre-qualified for bidding on a specific public works contract to be let by the District, or on all contracts to be let by the District, until the contractor meets the District's requirements. In addition, a contractor may be found not pre-qualified for either omission of requested information or falsification of information.

**F) Appeal.** A contractor who has submitted a completed application form, and who receives a rating of "not qualified" from the District, may appeal that determination. There is no appeal from a finding that a contractor is not pre-qualified because of a failure to submit required information, but reapplication during one of the designated time periods is permitted. A contractor may appeal the District's decision with respect to its request for pre-qualification, and request a hearing by giving notice to the District no later than ten (10) business days after receipt of notice of its qualification status. Unless a Contractor files a timely appeal, the Contractor waives any and all rights to challenge the qualification decision of the District, whether by administrative process, judicial process, or any other legal process or proceeding.

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**G) Hearing.** If the Contractor gives the required notice of appeal and requests a hearing, the hearing shall be conducted so that it is concluded no later than ten (10) business days after the District's receipt of its Notice of Appeal. The hearing so provided shall be an informal process conducted by a panel to which the Board has delegated responsibility to hear such appeals (the "Appeals Panel"). At or prior to the hearing, the Contractor will be given the opportunity to present information and present reasons in opposition to the pre-qualification determination. At the conclusion of the hearing or no later than one day after completion of the hearing, the Appeals Panel will render its decision. The date for submission and opening of bids for a specific project will not be delayed or postponed to allow for completion of an appeal process.

**Section 8. Emergencies**

**A) Vote.** In the case of an emergency under Section 6(D)(2) above, the District, by majority vote of the Board, may approve a Purchase and take any directly related and immediate action required by that emergency, and procure Services and Supplies necessary for those purposes, without giving notice for bids to let contracts.

**B) Findings.** Before the Board takes any action pursuant to paragraph A) above, it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

**C) Delegation.** The Board, by four-fifths vote, may delegate, by resolution or ordinance, to the District's General Manager the authority to order any action pursuant to paragraph A) above.

**D) Report.** If the District's General Manager, pursuant to the authority delegated by the Board under paragraph C) above, orders any action specified in paragraph A) above, that person shall report to the Board, at its next meeting, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.

**E) Review.**

1) If the Board orders any action specified in paragraph A) above, the Board shall review the emergency action at its next regularly scheduled meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a majority vote, that there is a need to continue this action.

2) If the District's General Manager, pursuant to the authority delegated by the Board under paragraph C) above, orders any action specified in paragraph A) above, the Board shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless the District's

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General Manager has terminated that action prior to the Board reviewing the emergency action and making a determination pursuant to this paragraph.

3) When the Board reviews the emergency action pursuant to paragraph E)1) or E)2) above, it shall terminate the action at the earliest possible date completed by giving notice for bids to let contracts.

**Section 9. Scope of General Manager's Authority**

The District's General Manager shall purchase or contract for all Supplies, Services, and Capital Equipment needed in accordance with procedures prescribed by this adopted policy and such additional lawful rules, not inconsistent herewith, as the District Manger shall employ for the efficient internal management and operation of the District.

**A) Exceptions**

1) **Exceptions Prohibited.** The authority of the General Manager to make all purchases for the District shall not be abridged unless, by order of the Board, such exception is granted for a specific purpose.

2) **Temporary Absences.** During periods of temporary absences of the General Manager, the authority to implement the provisions of these regulations will be held by a District staff member so appointed by the General Manager and approved by the Board for the period of the absence.

**B) Tax Exemptions.** The General Manager shall act to procure for the District all Federal and State tax exemptions to which the District is entitled.

**C) Cooperative Purchasing.** The General Manager shall have the authority to join other units of government including Federal, State, County, Municipal and Municipal sub-divisions, such as Water Districts, Sewer Districts, School Districts, Special Districts and Councils of Government in cooperative purchasing plans when the best interests of the District would be served thereby and when such action is in accordance with and pursuant to law.

**D) Other Duties.** The District's General Manager shall perform such other duties related to the functions, duties, and authorities set forth herein, as may be prescribed by the Board and by any applicable state or local laws or ordinances.

**Section 10. Miscellaneous**

**A) Local Purchases.** The District will make every effort to Purchase from businesses located within the District's service area if the Purchase provides the best overall value for the District.

**B) Conflict of Interest.** The District shall not enter into any agreement, contract, P.O., or other business transaction with any individual, firm, corporation, organization, or other entity in

**CRESTLINE SANITATION DISTRICT**  
**Purchasing Policy and Procedures**

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which a District employee, Board member, or relative of same has a financial interest. This shall also include the acceptance of any gift or gratuity, directly or indirectly, from any person, firm, corporation, or organization to which any P.O. or contract is, or might be, awarded, any rebate, gift, or anything of value whatsoever, except where given for the express use or benefit of the District. Inexpensive advertising items, bearing the name of a vendor, such as pens, pencils, paper weights, cups, candy, calendars, etc., are not considered articles of value or gifts in relation to this policy.

**C) Supersedes Other Policies.** This purchasing policy and procedures supersedes any inconsistent prior policies adopted by the Board.

ADOPTED this day of January 17, 2013

AYES: 5

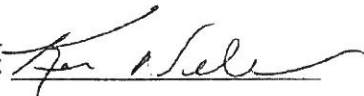
NOES:

ABSTAIN:

ABSENT:



Chairman, Board of Directors

ATTEST: 

Secretary