



SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT
SPECIAL MEETING OF THE FINANCE COMMITTEE
2850 VIA ORANGE WAY, SPRING VALLEY, CA 91978

AGENDA

MONDAY, OCTOBER 5, 2026 - 10:00 A.M.

CALL TO ORDER AND ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENT

1. CONSENT AGENDA ITEMS

- 1.1 Approval of the Minutes – Special Finance Committee Meeting of August 12, 2026
Special Finance Committee Meeting of September 11, 2026

2. INFORMATIONAL AGENDA ITEMS – COMMITTEE REVIEW & INPUT

- 2.1 California Uniform Public Construction Cost Accounting Act (CUPCCAA)
2.2 Recurring Revenue Discussions (Planned Giving Programs/Foundation/Donations) Update

3. REPORTS

- 3.1 Committee Member Comments
3.2 Association of San Miguel Chief Officers Communications
3.3 Association of San Miguel Firefighters Communications
3.4 Teamsters, Chauffeurs, Warehousemen, and Helpers Local 542 Communications
3.5 Action Plan Recap

NEXT MEETING – Wednesday, October 28, 2026, at 3:00 p.m.

ADJOURNMENT

PUBLIC PARTICIPATION

Members of the public may address the Board on items within the District's jurisdiction. The Board cannot take action on items not on the agenda.

ACCESSIBILITY

In compliance with the Americans with Disabilities Act, if you need accommodations to participate in this meeting, please contact the Board Clerk at (619) 670-0500 or info@sanmiguelfire.gov.

**MEETING MATERIALS
(Gov. Code §54957.5)**

Materials related to agenda items distributed to the Board are available for public inspection at the District office, online at <https://www.sanmiguelfire.gov/board-meetings>, and at the meeting.

CERTIFICATION OF POSTING (SPECIAL MEETING)

I certify that on October 2, 2026, the foregoing agenda was posted in accordance with Gov. Code §54954.2 at least 24 hours prior to the special meeting, on the District's website and at a location freely accessible to the public. */s/ Shayna Riano* **Shayna Riano, Board Clerk**

San Miguel Consolidated Fire Protection District

Special Finance Committee Meeting

MINUTES

Wednesday, August 12, 2026 – 3:00 p.m.

Committee Chair Robles called the meeting to order at 3:00 p.m.

BOARD MEMBERS PRESENT Directors Pierce and Robles (Chair).

BOARD MEMBERS ABSENT None.

STAFF PRESENT Fire Chief Lawler, Deputy Chiefs Durrell and Riley, Division Chief Lieberman, Battalion Chief Carroll, Administrative Officer/Finance Officer (AO/FO) Harris, Fire Marshal Newman, Accounting Specialist Delgado, and Fire Services Officer Camarena

APPROVAL OF AGENDA

By Committee Consensus, the agenda was approved.

The Agenda for the Special Finance Committee Meeting of August 12, 2026, was posted at District Headquarters on Friday, August 7, 2026, at 3:00 p.m.

PUBLIC COMMENT – None.

1. CONSENT AGENDA ITEMS

1.1 Approval of the Minutes – Regular Finance Committee Meeting of July 29, 2026

By Committee Consensus, the minutes were approved.

2. INFORMATIONAL AGENDA ITEMS – COMMITTEE REVIEW & INPUT

2.1 California Uniform Public Construction Cost Accounting Act (CUPCCAA)

Chief Lieberman briefed the Finance Committee on the California Uniform Public Construction Cost Accounting Act (CUPCCAA), an optional procurement framework for public projects. Staff explained that the framework could streamline smaller facility and repair projects while retaining competitive bidding and existing budget approval requirements. The update covered the applicable project thresholds, contractor-list and recordkeeping requirements, and proposed procurement policy changes. Staff is evaluating implementation procedures and obtaining legal review before returning to the Board with a resolution and final policy recommendations.

Director Robles asked what problems does implementing this act address, how many projects are completed each year, and what the public vendor looks like. The full committee and staff discussed these items. It was determined that a presentation will be brought back to the Finance Committee with more details, along with policies to review.

2.2 Property Tax Consultant

AO/FO Harris presented the Finance Committee on HdL Coren & Cone's property tax audit, analysis, reporting, and forecasting services. The engagement will provide more detailed information about the District's tax base, revenue trends, and potential allocation discrepancies. Staff explained that the analysis will inform budget estimates, multiyear forecasts, and decisions about ongoing program costs and capital needs. Funding is

included in the Fiscal Year 2026–27 consulting costs budget, with no additional appropriation or reserve funding requested. The Board requested this analysis.

2.3 Financial Support Services – CalPERS Pension Liability, Financial Management Policies, and Financial Analysis

Staff provided an update on the District’s work with California Municipal Advisors LLC (CalMuni). The services will include pension liability forecasting, development of a Pension Management Plan, review of financial management policies, and organization of existing financial and capital planning records in a portal. Staff explained how this work will support long-term planning and analysis of pension obligations, reserves, and capital needs. Staff will bring draft plans and policy recommendations to the Finance Committee for review before any required Board action. The Finance Committee discussed the positive impacts that this information will have moving forward. Director Robles asked about a vendor information technology policy and how it could benefit this type of service or any platform that the District uses.

2.4 OSHA Unfunded Mandates

Fire Chief Lawler discussed the District’s ongoing review of OSHA mandates and noted that their full operational and financial impacts are difficult to quantify at this stage. Staff will continue to monitor the requirements and assess their effects as more information becomes available.

2.5 Recurring Revenue Discussions (Planned Giving Programs/Foundation/Donations) Update

Chief Lieberman provided an update on the San Miguel Fire & Rescue Foundation. Director Robles stated that Planned Giving was still something he would like the District to pursue. More information is needed on this item.

3. REPORTS

3.1 Committee Member Comments

No additional comments.

3.2 Association of San Miguel Chief Officers Communications - None.

3.3 Association of San Miguel Firefighters Communications - None.

3.4 Teamsters, Chauffeurs, Warehousemen, and Helpers Local 542 Communications - None.

3.5 Action Plan Recap

- Bring forward additional CUPCAA information at a future meeting
- Review of CalPERS Pension Strategies

NEXT MEETING – Regular meeting on Wednesday, August 26, 2026 at 3:00 p.m.

Committee Chair Robles adjourned the meeting at 4:08 p.m.

Minutes approved at the San Miguel Consolidated Fire Protection District Finance Committee Meeting on September 30, 2026.

Attest:

Jesse A. Robles, Finance Committee Chair

Leah Harris, Administrative Officer/Finance Officer

San Miguel Consolidated Fire Protection District

Special Finance Committee Meeting

MINUTES

Friday, September 11, 2026 – 12:00 p.m.

Committee Chair Robles called the meeting to order at 12:00 p.m.

BOARD MEMBERS PRESENT Directors Nelson, Pierce, and Robles (Chair).
Director Robles left the meeting at 12:45 p.m.

BOARD MEMBERS ABSENT None.

STAFF PRESENT Fire Chief Lawler, Deputy Chiefs Durrell and Riley, Division Chief Lieberman, Battalion Chief Carroll, Administrative Officer/Finance Officer (AO/FO) Harris, Fire Marshal Newman, Accounting Specialist Delgado, and Fire Services Officer Camarena

APPROVAL OF AGENDA

By Committee Consensus, the agenda was approved.

The Agenda for the Special Finance Committee Meeting of September 11, 2026, was posted at District Headquarters on Thursday, September 10, 2026, at 12:00 p.m.

PUBLIC COMMENT – None.

1. INFORMATIONAL AGENDA ITEMS – COMMITTEE REVIEW & INPUT

1.1 Financials Review – Period Ending June 30, 2026

AO/FO Harris presented the financials via PowerPoint. Staff presented the District's unaudited financial results for the fiscal year ending June 30, 2026. Revenue totaled \$35.33 million, exceeding budget by \$2.44 million. Operating expenses totaled \$30.55 million, or \$1.61 million below budget, resulting in a \$4.78 million operating surplus before reserve activity. Reserve-funded capital spending contributed to an \$863,189 decrease in fund balance; the result was \$3.45 million better than budget. Staff also reviewed expense variances, including professional services, grant-related expenses, and insurance, and identified capital project timing, overtime, and insurance costs as areas to monitor.

The Finance Committee focused its discussion on pensions and future strategies. The Finance Committee discussed cost increases and ways to mitigate these ongoing costs. Chief Lawler discussed the earmarks that the District is set to receive, thanked Directors Pierce and Robles for their work with the Government Affairs Committee, and discussed the Strategic Plan.

1.2 Final Budget Review – Fiscal Year 2026/2027

AO/FO provided an overview of the draft final budget via PowerPoint. Budgeted revenue totals \$35,200,911, and expenses total \$34,421,704, leaving \$779,207 before reserve activity. Staff reviewed changes from the proposed budget, including updated benefit estimates and additional overtime funding. The presentation also outlined \$2,360,000 in planned reserve and Fire Mitigation Fee Fund expenditures for fleet, equipment, facilities, and a command vehicle. Selected reserve cash is projected at \$17,692,217 on June 30, 2027. Staff described ongoing work to develop capital replacement schedules, reserve targets, and multiyear financial forecasts.

The Finance Committee had comments on pension and workers' compensation increases. The Finance Committee discussed expense changes from the preliminary to the final budget and made no changes during the review. The committee discussed a few formatting changes.

2. REPORTS

2.1 Committee Member Comments

No additional comments.

2.2 Association of San Miguel Chief Officers Communications - None.

2.3 Association of San Miguel Firefighters Communications - None.

2.4 Teamsters, Chauffeurs, Warehousemen, and Helpers Local 542 Communications - None.

2.5 Action Plan Recap

- Director Robles will email any questions on the budget to AO/FO Harris.
- Send Proposed Final Budget for the Board Meeting on September 23, 2026
- Review of CalPERS Pension Strategies

NEXT MEETING – Regular meeting on Wednesday, September 30, 2026, at 3:00 p.m.

Director Nelson adjourned the meeting at 12:48 p.m.

Minutes approved at the San Miguel Consolidated Fire Protection District Finance Committee Meeting on September 30, 2026.

Attest:

Jesse A. Robles, Finance Committee Chair

Leah Harris, Administrative Officer/Finance Officer



CUPCCAA PROJECT DELIVERY

California Uniform Public Construction Cost Accounting Act

How a Streamlined Procurement Process Could Support District Facilities Projects

Purpose. Use actual San Miguel facilities projects to show how CUPCCAA could provide a procurement process that is proportionate to project size, reduce administrative lead time, and preserve competition, fiscal accountability, public-works requirements, and Board oversight.

CURRENT CUPCCAA FRAMEWORK

\$75,000 or less	\$75,001-\$220,000	Over \$220,000
Simplified / direct procedures permitted	Informal competitive bidding	Formal competitive bidding

WHAT "STREAMLINED" MEANS

More Formal / Traditional Path	Potential CUPCCAA Path
• Comprehensive solicitation package regardless of project size • Broader advertising and longer procurement timeline • Individual Board award may be required under existing practice • More staff time preparing agenda materials and procurement documents	• Use a process scaled to project value • For informal projects, notify qualified contractors / designated trade journals and receive competitive bids • Allow staff award within Board-approved budget and delegated authority, if adopted • Keep core safeguards: scope, competition, bidder review, prevailing wage, insurance/bonding, records, and oversight

What does not change: approved funding, applicable prevailing wage, contractor licensing, insurance, bonding where required, responsible-bidder review, project documentation, and Board oversight.

FIVE DISTRICT PROJECT EXAMPLES

How CUPCCAA could scale the procurement process to the size of the work

Project	Status	Reference Amount	Potential CUPCCAA Path	What Could Be Streamlined
Flooring / Concrete Polishing 3255 Helix St.	Planned / Estimate	\$28,337.60	≤ \$75K simplified procedure	Small facility-improvement project could use a simpler procurement path while public-works requirements continue to apply as appropriate.
Station 18 Landscape & Irrigation	Contract Awarded - Construction Pending	\$41,632	≤ \$75K simplified procedure	Could reduce procurement burden for a modest construction project while retaining contract, prevailing-wage, and documentation controls.
Station 16 High-Speed Apparatus Bay Doors	Future / Planning	\$83,958.99-\$99,592.26	Informal competitive bidding	Staff could develop the scope, notify qualified contractors, receive competitive informal bids, evaluate them, and award within delegated authority if approved by the Board.
Station 15 Landscape & Irrigation	Completed	\$114,868	Informal competitive bidding	A mid-sized project could still be competitively bid through a process scaled to the project rather than a more extensive solicitation / Board-award workflow.
Station 16 Kitchen Renovation	Completed	\$198,436 low bid*	Informal-range illustration*	Shows the upper end of the informal range. Competition and bidder-responsibility review remain; the solicitation and award pathway could be more streamlined if the final contract amount and circumstances qualify.

KEY TAKEAWAY

CUPCCAA would not change what the District chooses to build or how the Board funds projects. It would give staff additional procurement options that are better matched to project size, allowing qualifying projects to move from approved budget to construction with fewer administrative steps while maintaining competition, transparency, and fiscal controls.

*Station 16 Kitchen is used as an illustration of the procurement pathway. The low bid was within the informal range, while the final DLG award exceeded \$220,000. The procurement method available on any future project depends on the applicable dollar threshold and award circumstances.

STATION 16 KITCHEN RENOVATION

A real District example of how long project delivery can take before construction begins

Purpose. Use an actual District project to show the elapsed time from project design and formal procurement through construction, and identify the portion of the process CUPCCAA could potentially streamline.

Milestone	Date	What It Represents
Plans prepared	Aug. 1, 2025	Project design / scope underway
Bid solicitation advertised	Oct. 17, 2025	Formal procurement begins
Mandatory job walk	Nov. 3, 2025	Contractor site review
Seven bids received	Dec. 2, 2025	Competitive bids opened
Bidder responsibility review	Jan. 28-30, 2026	Additional due diligence
Board contract award	Mar. 11, 2026	Board awards to DLG Contractors
Contract / Notice to Proceed	Apr. 7, 2026	Contract administration completed
Construction begins	Apr. 20, 2026	Contractor authorized to start
100% complete / final invoice	Jun. 24, 2026	Construction substantially complete

The key comparison is the time required to get from a project ready for procurement to an authorized construction start.

185 DAYS	65 DAYS
Solicitation advertised to construction start	Construction start to 100% complete

Important: Not all 185 days were avoidable. Station 16 included an unusual bidder-responsibility review. CUPCCAA would not eliminate necessary due diligence.

HOW CUPCCAA COULD STREAMLINE A SIMILAR PROJECT

Illustrative planning estimate - not a guaranteed project schedule

Illustrative Phase	Estimated Time	CUPCCAA Effect
Plans & scope development	30-45 days	Still required
Internal / legal review	5-7 days	Still required, but can be focused
Informal solicitation & contractor notice	10-15 days	Streamlined
Bid review / contractor verification	5-10 days	Still required
Contract, bonds & insurance	7-10 days	Still required
Notice to Proceed / mobilization	5-10 days	Still required

ILLUSTRATIVE CUPCCAA TIMELINE

75-90 DAYS

Plans/scope development through contractor ready to proceed

WHAT CHANGES - AND WHAT DOES NOT

CUPCCAA CAN STREAMLINE

- Contractor notification / advertising
- Solicitation administration
- Individual Board award cycle when authority is delegated
- Time waiting for a scheduled Board meeting

CUPCCAA DOES NOT ELIMINATE

- Plans and scope
- Competitive bidding where required
- Prevailing wage and contractor requirements
- Bidder responsibility review
- Contract administration and construction oversight

BOARD OVERSIGHT REMAINS

The Board would continue to approve the budget, policy, and delegated authority. Staff would administer qualifying projects within those approved limits and report back in accordance with District policy.

BOTTOM LINE

The issue is not whether the District maintains accountability - it will. The issue is whether a \$30,000, \$80,000, or \$115,000 project should require nearly the same administrative pathway and Board-cycle time as a substantially larger capital project. CUPCCAA would allow the District to match the procurement process to the size and complexity of the project.

Note: The 75-90 day timeline is an illustrative planning estimate for a straightforward project. Actual timing depends on project conditions, bidder issues, CUPCCAA dollar thresholds, and District policy.

POLICY 102.11 COMPARISON

Current Policy vs. Proposed Procurement & Purchasing Policy

Purpose of the Update Modernize the District purchasing policy, update outdated thresholds, and clearly separate general purchasing from public projects handled under CUPCCAA.

AT A GLANCE

CURRENT POLICY		PROPOSED POLICY	WHY IT MATTERS
Formal competition above \$25,000		Formal competition above \$75,000	Scales the process to current purchasing costs.
Fire Chief authority through \$75,000		Fire Chief/designee authority through \$100,000*	Allows routine budgeted purchases to move without unnecessary delay.
No CUPCCAA distinction		CUPCCAA public projects are handled under the separate CUPCCAA policy	Makes it clear which rules apply to construction and public improvements.
Limited list of procurement methods		Adds IFB, RFP, RFQ and cooperative purchasing	Gives staff the right procurement tool for the type of purchase.

* Proposed delegated authority applies only when sufficient Board-approved appropriations exist and remains subject to the limits in the policy.

DOLLAR THRESHOLDS - GENERAL PURCHASING

PURCHASE AMOUNT		CURRENT POLICY	PROPOSED POLICY
\$10,000 or less		One verbal quote required over \$5,000	Purchasing discretion; competitive pricing when practical
\$10,001-\$25,000		Three written quotes	At least one documented written quote
\$25,001-\$75,000		Formal competition	Three written quotes when reasonably available
Over \$75,000		Formal competition	Formal competitive procurement (IFB, RFP, or other appropriate method)

APPROVAL AUTHORITY

LEVEL	CURRENT POLICY	PROPOSED POLICY
Purchasing Officer / Agent	Up to \$10,000	Up to \$25,000
Fire Chief / Designee	\$10,001-\$75,000	\$25,001-\$100,000, with sufficient Board-approved appropriations
Board of Directors	Over \$75,000	Over \$100,000 unless authority has otherwise been delegated by Board action

THE BIGGEST CLARIFICATION: GENERAL PURCHASING VS. CUPCCAA

POLICY 102.11 - GENERAL PURCHASING	CUPCCAA POLICY - PUBLIC PROJECTS
- Supplies and materials - Equipment - General services - Professional and consulting services - Other non-public-project purchases	- Construction and reconstruction - Alterations and renovations - Facility improvements and repairs - Installation, demolition and painting - Other qualifying public projects

Under the proposed Policy 102.11, CUPCCAA public projects follow the District CUPCCAA policy and applicable law rather than the general purchasing thresholds above.

WHAT IS NOT CHANGING

- Board control of the District budget and appropriations - Competition, transparency and documentation - Ability to use authorized emergency and sole-source exceptions	- Prohibition on splitting purchases to avoid thresholds - Ethics and conflict-of-interest requirements - Board oversight of major purchases and contracts
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BOARD TAKEAWAY

The proposed policy modernizes the District's general purchasing rules and makes the procurement path easier to understand. It raises outdated administrative thresholds, expands available procurement methods, and clearly directs qualifying public projects to the separate CUPCCAA process. Board budget authority, accountability, competitive requirements, and major-purchase oversight remain in place.

SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT POLICY

SECTION 1 (PURPOSE)

- A. Purpose. The purpose of this Policy is to implement the California Uniform Public Construction Cost Accounting Act (Public Contract Code section 22000 *et seq.*) ("Act") following the San Miguel Consolidated Fire Protection District ("District") election to become subject to the Act pursuant to California Public Contract Code ("PCC") section 22030. This Policy establishes uniform procedures governing the procurement, award, administration, and accounting of District public projects while promoting efficient project delivery, fiscal accountability, fair competition, and compliance with applicable law.
- B. Interpretation. This Policy shall be interpreted consistent with the Act, the Uniform Public Construction Cost Accounting Commission ("Commission") Cost Accounting Policies and Procedures Manual, and applicable provisions of the PCC. In the event of any conflict between this Policy and applicable law, the Act and other controlling law shall govern.

SECTION 2 (APPLICABILITY)

- A. Applicability. This Policy applies to all District public projects subject to the Act. Nothing in this Policy alters or supersedes applicable requirements relating to: (1) contractor licensing; (2) Department of Industrial Relations registration; (3) prevailing wages; (4) payment and performance bonds; (5) insurance; (6) subcontractor listing; (7) conflict-of-interest laws; (8) emergency contracting; (9) environmental review; or (10) any other requirement imposed by Federal, state, or local law.
- B. Avoidance of Competitive Bidding. Nothing in this Policy shall be construed to authorize the division or separation of a public project into smaller work orders or projects for the purpose of avoiding applicable competitive bidding requirements.

SECTION 3 (PUBLIC PROJECT AUTHORIZED SPENDING & PROCUREMENT THRESHOLDS)

- A. Public Project Procurement Thresholds. Subject to any exceptions authorized by law, public projects shall be procured as follows:
1. Projects of \$75,000 or Less. Public projects with an estimated cost of \$75,000 or less may be performed by: (a) District employees through force account; (b) negotiated contract; or (c) purchase order. Competitive bidding is not required for projects within this threshold, but all other applicable legal and District requirements remain in effect.
 2. Projects Exceeding \$75,000 but Not Exceeding \$220,000. Public projects exceeding \$75,000, but not exceeding \$220,000, may be procured through the informal bidding procedures established by this Policy.
 3. Projects Exceeding \$220,000. Public projects exceeding \$220,000 shall be procured through formal competitive bidding in accordance with the Act, except as otherwise authorized by law.
- B. Future Statutory Amendments. If the Act is amended, controlling law shall govern over any inconsistent provision of this Policy. The Fire Chief shall recommend any conforming amendments necessary to maintain this Policy's consistency with the Act.
- C. Spending Authority and Budget Approval within CUPCCAA. The Board of Directors delegates to the Fire Chief authority to approve expenditures, award contracts, and execute agreements for public

projects costing \$220,000 or less, as determined under CUPCCAA. This authority includes projects eligible for informal bidding and projects eligible for the procedures authorized at lower dollar thresholds, provided that:

1. The project is included in the Board-adopted budget and sufficient appropriations are available.
2. Any expenditure from the Facilities Renovation/Replacement Reserve Fund has been expressly authorized by Board resolution identifying the project or approved scope of work and the amount authorized from that fund.
3. The expenditure remains within the approved project scope and budget.
4. All applicable CAUPCCAA procurement procedures are satisfied.

When these conditions are met, the Fire Chief may proceed with contract award and execution without additional Board approval.

Prior Board approval is required for:

- Any project exceeding \$220,000, regardless of whether funding is included in the adopted budget.
- Any project not included in the adopted budget or requiring additional appropriations.
- Any expenditure from the Facilities Renovation/Replacement Reserve Fund that has not been authorized by Board resolution or that exceeds the purpose or amount authorized.
- Any amendment or change order that would increase the cumulative project cost above \$220,000, exceed the approved project budget or reserve authorization, or materially change the Board-approved scope.
- Projects shall not be divided to avoid these requirements. Board approval does not waive applicable bidding requirements. Emergency projects remain subject to the District's emergency procurement provisions and applicable law.

SECTION 4 (INFORMAL BIDDING PROCEDURES)

A. Informal Bidding Procedures. Public projects subject to informal bidding shall be procured as follows:

1. Notice Inviting Bids. The District shall provide a Notice Inviting Informal Bids at least ten (10) calendar days before bids are due. Notice shall be provided in a manner authorized by PCC section 22034: (a) to all contractors included on the District's qualified contractor list for the category of work being bid; (b) to all construction trade journals designated by the Commission for the county in which the work will be performed; or (c) by both methods.
2. Contents of Notice. The Notice Inviting Informal Bids shall describe the project in general terms, explain how to obtain more detailed information, and state the time and place for submission of bids. The notice may also include the location of the work, contractor qualifications, and any additional information required by law or the District.
3. Bid Opening. Informal bids shall remain sealed until the time established for opening and shall be opened in accordance with the solicitation documents.
4. Award. The contract shall be awarded to the lowest responsible bidder submitting a responsive bid unless all bids are rejected as authorized by law. The District reserves all rights authorized

by the PCC regarding rejection of bids.

5. Informal Bids Exceeding the Threshold. If all informal bids exceed \$220,000, the Board may (by adoption of a resolution by a four-fifths vote) award the contract at \$235,000 or less to the lowest responsible bidder if the Board determines that the District's cost estimate was reasonable as provided in PCC section 22034(d).
6. Rejection of Bids. The District may reject any or all bids when authorized by law and may rebid the project. If no bids are received through the informal procedure, the project may be performed by District employees through force account or by negotiated contract as authorized by PCC section 22038(c).

SECTION 5 (FORMAL BIDDING PROCEDURES)

- A. Formal Bidding Procedures. Public projects exceeding the informal bidding threshold shall be procured through formal competitive bidding, except as otherwise authorized by law.
 1. Notice Inviting Bids. The District shall publish a Notice Inviting Bids at least fourteen (14) calendar days before bid opening in a newspaper of general circulation as required by PCC section 22037 and shall send the notice to all construction trade journals designated by the Commission at least fifteen (15) calendar days before bid opening.
 2. Plans, Specifications, and Bid Contents. The Board or its designated representative shall adopt plans, specifications, and working details as required by PCC section 22039. Bid documents shall include: (a) the information required by applicable law, including the project description, plans and specifications, bid submission requirements, bonding requirements, and prevailing wage requirements; and (b) any other information necessary to solicit competitive bids.
 3. Bid Opening. All formal bids shall be publicly opened at the time and place specified in the Notice Inviting Bids.
 4. Award. Unless otherwise authorized by law, contracts shall be awarded to the lowest responsible bidder submitting a responsive bid. The Board reserves the right to reject any or all bids when authorized by applicable law.
 5. Rejection of Bids or No Bids. If bids are rejected, the Board may direct that the project be re-advertised or otherwise procured in accordance with the PCC. If no bids are received through the formal procedure, the project may be performed by District employees through force account or by negotiated contract as authorized by PCC section 22038(c).

SECTION 6 (DELEGATION OF AUTHORITY)

- A. Delegation to Fire Chief. Subject to this Policy and applicable Board-approved contracting authority, the Board delegates to the Fire Chief (or the Fire Chief's written designee) authority to procure, negotiate, award, execute, and administer public projects under PCC section 22032(a) and informal contracts under PCC section 22032(b). The delegation of authority to award informal contracts is made pursuant to PCC section 22034(c).
- B. Conditions of Delegation. The Fire Chief or designee may exercise delegated authority only if: (a) the project has been approved by the Board through the annual budget or other Board action; (b) sufficient appropriations are available; (c) the procurement method complies with the PCC and this Policy; (d) the contract amount does not exceed applicable statutory or Board-approved limits; and (e) all required legal, insurance, bonding, and fiscal approvals have been obtained.
- C. Administrative Authority. The Fire Chief or designee may: (a) issue solicitations; (b) evaluate bids;

(c) determine bidder responsiveness and responsibility; (d) award and execute contracts within delegated authority; (e) approve contract amendments and change orders within the approved project scope, available appropriations, and delegated authority; (f) execute documents necessary to administer contracts; and (g) perform all administrative acts necessary to implement this Policy.

- D. Limitations. Nothing in this Policy authorizes the Fire Chief or designee to: (a) increase an appropriation approved by the Board; (b) materially expand the approved project scope; (c) waive statutory bidding requirements; (d) divide a project to avoid applicable bidding requirements; (e) award contracts requiring Board approval under state law; or (f) exercise authority otherwise reserved to the Board.

SECTION 7 (BOARD-RETAINED AUTHORITY)

- A. Board-Retained Authority. Notwithstanding Section 6, the Board retains authority to: (1) award contracts requiring formal bidding, unless otherwise authorized by law and separately delegated by the Board; (2) award contracts pursuant to PCC section 22034(d) by a four-fifths vote; (3) declare emergencies and authorize emergency contracting, except where authority has been lawfully delegated; (4) approve expenditures exceeding available appropriations or delegated authority; (5) amend this Policy as provided in Section 16; and (6) take any action otherwise reserved to the Board by law.

SECTION 8 (EMERGENCY PUBLIC PROJECTS)

- A. Emergency Public Projects. Emergency public projects shall be administered in accordance with PCC sections 22035 and 22050. When authorized by law, the Board may: (1) determine by a four-fifths vote that the emergency will not permit the delay resulting from competitive bidding and that immediate action is necessary; (2) authorize immediate procurement without competitive bidding; (3) by a four-fifths vote, delegate emergency procurement authority to the Fire Chief or designee; and (4) conduct all reports and continuing reviews required by PCC section 22050 until the emergency action is terminated. Nothing in this Policy alters the statutory findings, voting requirements, reporting obligations, or continuing review requirements applicable to emergency contracting.

SECTION 9 (CONTRACTOR LISTS AND TRADE JOURNALS)

- A. Qualified Contractor List. If the District elects to use a qualified contractor list, the District shall establish and maintain the list by category of work in accordance with PCC section 22034 and the Commission's requirements. Contractors requesting inclusion shall provide information required by the Act and the District's administrative procedures. The District shall solicit and update the list at least annually and may add qualified contractors throughout the year.
- B. Trade Journals. In lieu of or in addition to using a qualified contractor list, the District may provide notice to all construction trade journals designated by the Commission for the county in which the work will be performed in accordance with the PCC.
- C. Additional Notice. Nothing in this Policy prohibits the District from providing additional notice through electronic bidding platforms, the District's website, newspapers, or other methods intended to increase competition.

SECTION 10 (COST ACCOUNTING AND PROJECT ADMINISTRATION)

- A. Cost Accounting. The District shall maintain cost records in accordance with the Cost Accounting Policies and Procedures Manual adopted by the Commission.
- B. Project Costs. Project accounting shall include (as applicable) labor, equipment, materials, supplies,

subcontracts, overhead, and other direct and indirect costs attributable to the project.

- C. Force Account Work. Projects performed by District employees shall be accounted for in accordance with applicable provisions of the Act and the Commission's accounting procedures.
- D. Project Files. The Fire Chief or designee shall maintain procurement records sufficient to document compliance with this Policy including as applicable cost estimates, notices inviting bids, bid documents, bid tabulations, responsibility determinations, contract awards, change orders, payment records, and final project closeout documentation.
- E. Project Integrity. Public projects shall not be divided, phased, or otherwise structured for the purpose of avoiding applicable procurement requirements or monetary thresholds established by law.

SECTION 11 (CONTRACT ADMINISTRATION)

- A. Contract Execution. No public works contract shall become effective until it has been executed by a person authorized under this Policy and all required bonds, insurance, and other contract documents have been received and approved.
- B. Change Orders. The Fire Chief or designee may approve change orders within the authority delegated by the Board, provided the change order: (1) is within the approved project scope; (2) is supported by sufficient appropriations; (3) complies with applicable law and District policy; and (4) does not increase the contract beyond the limits of delegated authority. Any change order exceeding delegated authority shall require Board approval.
- C. Contract Administration. The Fire Chief or designee is authorized to administer contracts awarded under this Policy, including scheduling, inspections, progress payments, claims administration, acceptance of completed work, warranty administration, and contract closeout.

SECTION 12 (REPORTING REQUIREMENTS)

- A. Board Reporting. The Fire Chief or designee shall periodically report contracts awarded under delegated authority to the Board. Such reports may be presented through the consent calendar unless otherwise directed by the Board. The report should include as applicable the project name, contractor, procurement method, contract amount, funding source, approved change orders, and current project status.
- B. Public Records. Procurement records shall be maintained in accordance with the California Public Records Act, Government Code section 7920.000 *et seq.*, and the District's records retention policies.

SECTION 13 (COMPLIANCE)

- A. Compliance with Law. All procurements conducted under this Policy shall comply with the Act; the PCC; applicable Labor Code requirements; the District's Conflict of Interest Code; District purchasing and financial policies; and all other applicable Federal, state, and local laws.
- B. Commission Review. The District acknowledges that the Commission may review the District's accounting procedures and procurement practices as authorized by the PCC.
- C. Corrective Action. If any procurement is determined to be inconsistent with the Act or this Policy, the Fire Chief shall implement appropriate corrective measures and report material compliance issues to the Board. Repeated findings of noncompliance may result in loss of the District's authority to use the Act's alternative procedures as provided by law.

SECTION 14 (STATE COMPTROLLER NOTIFICATION)

- A. Following adoption of the Resolution electing to become subject to the Act, the Fire Chief or designee shall: (1) notify the California State Controller of the District's election pursuant to PCC section 22030; (2) provide a copy of the adopting Resolution; (3) complete any additional documentation required by the State Controller; and (4) maintain records demonstrating the District's continuing participation under the Act. The District shall not use the Act's alternative procedures until the election has been submitted to the State Controller and the District's informal bidding ordinance is effective.

SECTION 15 (ANNUAL REVIEW AND ADMINISTRATION)

- A. The Fire Chief or designee shall periodically review this Policy and recommend amendments as necessary to: (1) maintain compliance with changes in state law; (2) reflect amendments to the Act; (3) incorporate revisions to the Commission's Cost Accounting Policies and Procedures Manual; (4) improve procurement efficiency; and (5) maintain appropriate internal controls.
- B. The Fire Chief or designee may adopt administrative procedures, forms, standard documents, and procurement guidelines that are consistent with this Policy. Such administrative procedures shall not amend this Policy or expand delegated authority without Board approval.

SECTION 16 (AMENDMENTS)

- A. This Policy (including its informal bidding procedures) may be amended by ordinance of the Board or by any other action authorized by law. Statutory amendments to the Act shall control over any inconsistent provision of this Policy, and the Fire Chief shall recommend conforming amendments as appropriate. If any provision of this Policy is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT POLICY 102.11 - PROCUREMENT AND PURCHASING

The purpose of this policy is to establish consistent procedures for the procurement of supplies, equipment, materials, and services necessary for District operations while promoting fiscal responsibility, competition, efficiency, transparency, and appropriate internal controls. The District shall procure goods and services in a manner that provides the best overall value to the District while complying with applicable law, Board-approved budgets, District policies, and delegated purchasing authority.

A. Purchasing Officer and Purchasing Agents

The Administrative Officer/Finance Officer shall serve as the District Purchasing Officer unless otherwise designated by the Fire Chief. The Purchasing Officer may designate, in writing, one or more District employees as Purchasing Agents authorized to make purchases within the authority established by this policy. The Fire Chief may establish administrative procedures, purchasing forms, approval workflows, and internal controls necessary to implement this policy.

B. Applicability

This policy applies to the purchase of supplies, materials, equipment, general services, professional and consulting services, and other non-public-project purchases made by the District.

C. Public Projects – CUPCCAA

Public projects subject to the California Uniform Public Construction Cost Accounting Act (CUPCCAA) shall be procured in accordance with the District's Uniform Public Construction Cost Accounting Act Policy, applicable provisions of the California Public Contract Code, and other applicable law. Public projects may include construction, reconstruction, alteration, renovation, improvement, demolition, installation, repair, and painting of publicly owned, leased, or operated facilities.

The purchasing thresholds and competitive procurement requirements contained in this Policy 102.11 shall not supersede or modify the procurement procedures established for public projects under the District's CUPCCAA Policy. In the event of a conflict involving a public project, the District's CUPCCAA Policy and controlling law shall govern.

D. Dollar Guidelines

For purchases that are not public projects subject to CUPCCAA, competitive bids, quotations, or proposals shall generally be solicited in accordance with the following guidelines:

1. \$10,000 or less - Purchasing discretion. Competitive pricing should be considered when practical.
2. Over \$10,000, up to and including \$25,000 - At least one documented written quotation should be obtained.
3. Over \$25,000, up to and including \$75,000 - Three written quotations should be solicited when reasonably available.
4. Over \$75,000 - Formal competitive procurement through an Invitation for Bids, Request for Proposals, or other appropriate competitive process unless an authorized exception applies.

The Fire Chief or Purchasing Officer may require additional competition at any dollar level when determined to be in the District's best interest. Failure to obtain the preferred number of quotations shall not automatically prohibit a purchase when reasonable competition is unavailable, provided the circumstances and purchasing determination are documented.

E. Authorization Required for Purchases

The following thresholds are established for review and approval of purchases governed by this policy. Purchasing authority may be exercised only when sufficient funding has been appropriated by the Board of Directors through the budgeting process:

1. Up to and including \$25,000 - Purchasing Officer or authorized Purchasing Agent.
2. Over \$25,000, up to and including \$100,000 - Fire Chief or designee, provided sufficient appropriations exist within the Board-adopted budget.
3. Over \$100,000 - Board of Directors, unless authority has been delegated by the Board through the annual budget (day-to-day operations), resolution, contract approvals, or other Board action.
4. Nothing in this section authorizes staff to increase a Board-approved appropriation, materially change a Board-approved program or scope, avoid competitive procurement requirements, divide purchases to remain within delegated authority, or exercise authority specifically reserved to the Board by law.

F. Procurement Methods

1. Informal Quotations - Informal quotations may be obtained by telephone, email, vendor website, written quotation, electronic procurement platform, or another method that reasonably documents pricing.
2. Invitation for Bids - An Invitation for Bids should generally be used when the District can clearly define the goods or services required and price is the primary basis for award. Awards should generally be given to the lowest responsive and responsible bidder.
3. Request for Proposals - A Request for Proposals may be used when qualifications, experience, approach, service level, technical capability, schedule, or other factors are important in addition to price. The District may evaluate proposals using criteria identified in the solicitation and may negotiate with proposers when appropriate.
4. Request for Qualifications - A Request for Qualifications may be used when professional qualifications and experience are the primary basis for selecting a consultant or service provider.
5. Cooperative Purchasing - The District may participate in cooperative procurement agreements, competitively awarded governmental contracts, purchasing cooperatives, or similar programs when permitted by law and determined to be in the District's best interest.

G. Exceptions to Competitive Procurement

Competitive procurement may not be required when an authorized exception applies, including:

1. Emergency purchases;
2. Sole-source purchases;
3. Purchases where only one reasonably available vendor can meet the District's requirements;
4. Cooperative or government purchasing contracts;
5. Legal services;
6. Specialized professional or consulting services when selection based primarily upon qualifications is appropriate; or
7. Other circumstances where competitive procurement is impractical or contrary to the District's best interest and the exception is permitted by law.

The basis for using an exception should be documented when appropriate.

H. Regular Business Within the Approved Budget

The Fire Chief and authorized staff may conduct the District's regular business within the adopted budget without separate Board of Directors approval for each transaction, provided the expenditure supports an approved purpose, remains within available appropriations and delegated authority, and complies with applicable procurement requirements.

Payroll and Employee Payments. Regular business includes processing payroll, approved overtime, authorized leave payments, retirement contributions, employee benefits, payroll taxes, and required deductions under existing compensation and benefit arrangements. These payments do not require additional procurement approval solely because an individual payment or payroll cycle exceeds a purchasing threshold. New positions, changes to compensation or benefits, and labor agreements remain subject to the approvals required for those decisions.

Equipment and Supplies. Regular business includes purchasing, repairing, and replacing equipment, protective clothing, medical supplies, station supplies, tools, replacement parts, and other items necessary to maintain approved operations. Individual supplies and routine replacement items need not be separately identified in the budget, provided they fall within the approved purpose and available appropriation. Purchases remain subject to the procurement methods and approval limits established by this policy.

Services and Recurring Expenses. Regular business includes utilities, communications, insurance, software and support, occupational health and wellness services, training, maintenance, and other services supporting approved programs. Contracts, renewals, and amendments may be processed administratively when they remain within previously authorized scope, term, renewal options, funding, and cumulative contract limits. Service contracts governed by Public Contract Code section 20812 remain subject to the applicable contracting and purchasing procedures.

Approval and Payment Authority. Budget approval provides funding for approved operations. Authority to award or execute a purchase or contract must also exist under this policy or an express Board delegation. A purchase or contract exceeding \$100,000 may proceed without further Board action when the Board has already expressly authorized the Fire Chief to approve and execute it within stated limits and all procurement requirements have been satisfied. Payments under an authorized obligation do not require a new procurement approval when they remain within its terms and limits.

Further Board Approval. Additional Board approval is required when an expenditure exceeds delegated authority, requires additional appropriations, establishes an unapproved program or benefit, materially changes an approved scope, exceeds authorized contract terms or amounts, or uses reserves without the required authorization.

I. Sole-Source Procurement

A sole-source purchase may be authorized when goods or services are reasonably available from only one provider because of compatibility, proprietary technology, specialized expertise, unique features, standardization, warranty considerations, emergency circumstances, or another documented operational need. Sole-source procurement shall not be used solely to avoid competition.

J. Emergency Procurement

When an emergency threatens life, property, continuity of District operations, or the ability of the District to provide emergency services, the Fire Chief or authorized designee may take purchasing action reasonably necessary to address the immediate need, subject to applicable law and available appropriations. Emergency public construction projects subject to CUPCCAA shall be handled in accordance with the District's CUPCCAA Policy and applicable Public Contract Code requirements.

K. Awarding of Bids and Proposals

Awards shall be made in the best interest of the District and in accordance with the procurement method used. For competitively bid purchases where price is the determining factor, award should generally be made to the lowest responsive and responsible bidder. For Requests for Proposals, professional services, and similar procurements, the District may consider qualifications, experience, approach, schedule, technical ability, past performance, price, and other relevant criteria. The District reserves the right to reject any or all bids or proposals when permitted by law and when doing so is determined to be in the District's best interest.

L. Splitting of Purchases

Purchases shall not be intentionally divided, separated, phased, or otherwise structured to avoid competitive procurement requirements, purchasing thresholds, delegated authority limitations, or Board approval requirements.

M. Contract Review

Contracts shall be reviewed in accordance with District administrative procedures. District Counsel may review contracts, solicitations, procurement exceptions, or other purchasing matters when legal review is appropriate. Nothing in this policy eliminates any insurance, indemnification, licensing, bonding, conflict-of-interest, prevailing-wage, or other legal requirement that may apply to a particular purchase or contract.

N. Budget Authority

Board adoption of the annual budget establishes funding authority but does not eliminate the procurement requirements established by this policy. The Fire Chief and authorized staff may administer and execute budgeted purchases within the authority delegated by the Board and this policy. Any expenditure requiring an increase in Board-approved appropriations shall be returned to the Board for approval.

O. Ethics and Conflicts of Interest

All District purchasing shall be conducted in a fair, impartial, and ethical manner. District officials and employees shall comply with applicable conflict-of-interest laws and District policies and shall not accept gifts, gratuities, favors, or other benefits intended to influence a purchasing decision.

P. Records and Documentation

The District shall maintain purchasing and procurement records in accordance with applicable law and the District's records retention requirements. Records should be sufficient to document, as applicable, purchase authorization, funding source, quotations or competitive solicitation, vendor selection, contracts and purchase orders, sole-source or procurement exceptions, invoices and payment authorization, and other material procurement decisions.

Q. Administration

The Fire Chief or designee may establish administrative purchasing procedures, forms, approval processes, and guidelines consistent with this policy. Administrative procedures may not increase purchasing authority beyond the limits established by the Board. The Fire Chief and Administrative Officer/Finance Officer shall periodically review purchasing thresholds and procedures and recommend amendments when appropriate based on changes in law, inflation, District operations, procurement practices, or internal-control needs.