



Procurement Policy Update

February 18, 2020 | Item 5.B.

Presented by: Karen Williams, DGM/CFO

Recommendation



It is recommended that the Commission approve the following:

1. Updated PRO110 – Procurement Policy and Purchasing Authority;
2. Updated General Services Agreement for Services by:
 - a) Independent Consultant
 - b) Contractor;
3. Updated Attachment A – Terms and Conditions (Work Orders);
4. PRO110 – Federally Funded Procurement Policy; and
5. G&A103 – Travel and Expense Policy.

PRO110 – Procurement Policy and Purchasing Authority



- Lagerlof Senecal Gosney & Kruse (LSGK) reviewed SAWPA's procurement policy, our procurement process, and our procurement documents, including:
 - General Services Agreement (GSA)
 - Task Orders
 - Work Orders and Attachment A - Terms and Conditions.
- LSGK found that our procurement process was good but we needed to make changes to the policy and documents.

PRO110 – Procurement Policy and Purchasing Authority

Changes to the Procurement Policy & Purchasing Authority

- Updated the Standard Authorization Table (Section 2.4)

| Position | Current Approval Amount | Updated Approval Amount |
|--------------------|-------------------------|-------------------------|
| Manager | \$ 0 – 2,500 | ≤ \$4,000 |
| Department Manager | \$ 2,501 – 10,000 | ≤ \$15,000 |
| General Manager | \$10,001 – 50,000 | ≤ \$100,000 * |
| Commission | \$50,001 + | > \$100,000 |

***Updated amount based on:**

- Inflation rate (has been \$50,000 since at least 2001)
- In line with Member Agencies GM approval amount

PRO110 – Procurement Policy and Purchasing Authority

Changes to the Procurement Policy & Purchasing Authority

- Updated the Quotes Guideline Table

| Current Quote Limits | Updated Quotes Limit | Quotes |
|----------------------|----------------------|--|
| \$500 – 2,500 | \$500 – 4,000 | At least one quote |
| \$2,501 – 10,000 | \$4,001 – 15,000 | At least two quotes |
| \$10,001 – 34,999 | \$15,001 – 34,999 | At least three quotes |
| \$35,000 + | \$35,000 + | At least three quotes unless it is a public works contract * |

* Section 3.4 Public Works includes Competitive Bidding Requirements

PRO110 – Procurement Policy and Purchasing Authority



Changes to the Procurement Policy & Purchasing Authority

- Updated and expanded Section 3.4 Public Works
- Updated and expanded Section 3.5 Exceptions to Competitive Bidding Requirements
- Added the following sections:
 - 3.6 General Services Agreement Provision
 - 3.7 Federal Procurement Policy (reference)
 - 3.8 Travel and Expense Policy (reference)
- Removed Section 7.0 Disposition of Surplus Property
 - We have a separate policy for this

Updated General Services Agreement

A decorative graphic of a blue water splash, with several droplets and a larger, flowing stream of water, positioned in the upper right corner of the slide.

- General Services Agreements (GSA) are required when contracting with a consultant or contractor.
- The GSA is used to set forth the terms and conditions for contracted services.
- After review, LSGK updated the GSA to include ACWA JPIA recommended insurance requirements and indemnification clauses.
- LSGK created two GSA's, one for consulting services and one for contractor services.

A decorative graphic of a blue water splash with droplets and bubbles, located in the top right corner of the slide.

Updated Attachment A – Terms and Conditions (Work Orders)

- Attachment A was updated to include all changes made to the GSAs, specifically the indemnification and insurance requirements.

PRO110 – Federally Funded Procurement Policy

- SAWPA has received Federal Funds as part of the State Revolving Funds (SRF) loan program.
- Audit firm recommended SAWPA adopt a Federally Funded Procurement Policy
- Policy is based on the procurement guidelines of the Uniform Guidance (UA), formally 2 C.F.R. 200 Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- LSGK has reviewed this policy



G&A103 – Travel and Expense Policy



- The current policy was last updated in June 2004
- The major changes made include:
 - Authorization for travel outside the continental US must be approved by Commission action
 - Rates have been set for meals and incidentals by category
- Added sections:
 - Section 7.0 Non-Reimbursable Travel Expenses
 - Section 8.0 Compensation for Travel Time
- Re-organized and clarification throughout the document
- Reviewed by LSGK

Recommendation



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Questions?

Proposition 84 Round 2 Projects Status Update

February 18, 2020
Commission Meeting
Item No. 5.C



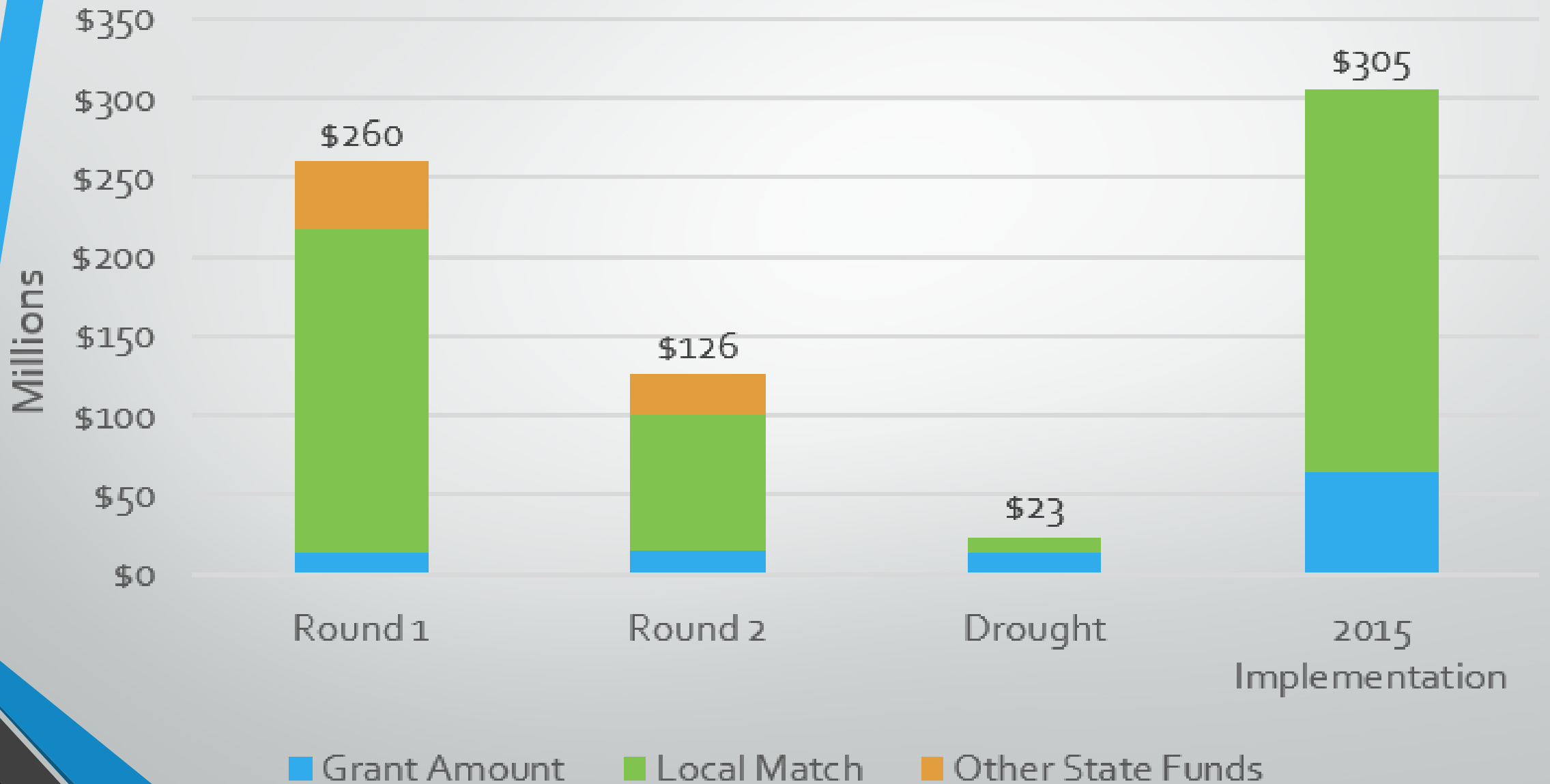
Marie Jauregui
Project Manager

Proposition 84 Project Status

| Round | No. of Projects | Projects Complete* | Grant Amount | Grant Invoiced | Total Cost |
|---|-----------------|--------------------|----------------|----------------|---------------|
| Round 1 <i>(Aug 2011 – Jun 2019)</i> | 13 | 13 | \$12.0M | \$12.0M | \$260M |
| Round 2 <i>(Feb 2014 – Dec 2020)</i> | 18 | 11 | \$14.5M | \$9.5M | \$126M |
| Drought Round <i>(Jan 2014 – Dec 2020)</i> | 2 | 1 | \$12.0M | \$11.4M | \$23M |
| 2015 Implementation Round <i>(Feb 2014 – Dec 2020)</i> | 3 | 0 | \$61.0M | \$21.0M | \$305M |
| Total | 36 | 25 | \$99.5M | \$53.9M | \$714M |

*Includes projects that are substantially complete

Total Project Cost Components



Projected Watershed-Wide Benefits of All Four Rounds of OWOW Prop 84 IRWM Projects

- Reduces water demand by 18,000 AFY representing 36,000 households
- Recharges 180,000 AF of additional imported water
- Produces 18,000 AFY of desalted groundwater
- Removes 29,000 tons of salt from groundwater per year
- Creates 11,000 AFY of additional recycled water
- Captures 44,000 AFY of stormwater for beneficial use
- Restores 3,800 acres of environmental habitat
- Reduces nonpoint source pollution by 29,000 pounds per year
- Reduces flood risk damage by \$91 million
- Creates about 11,000 construction related jobs

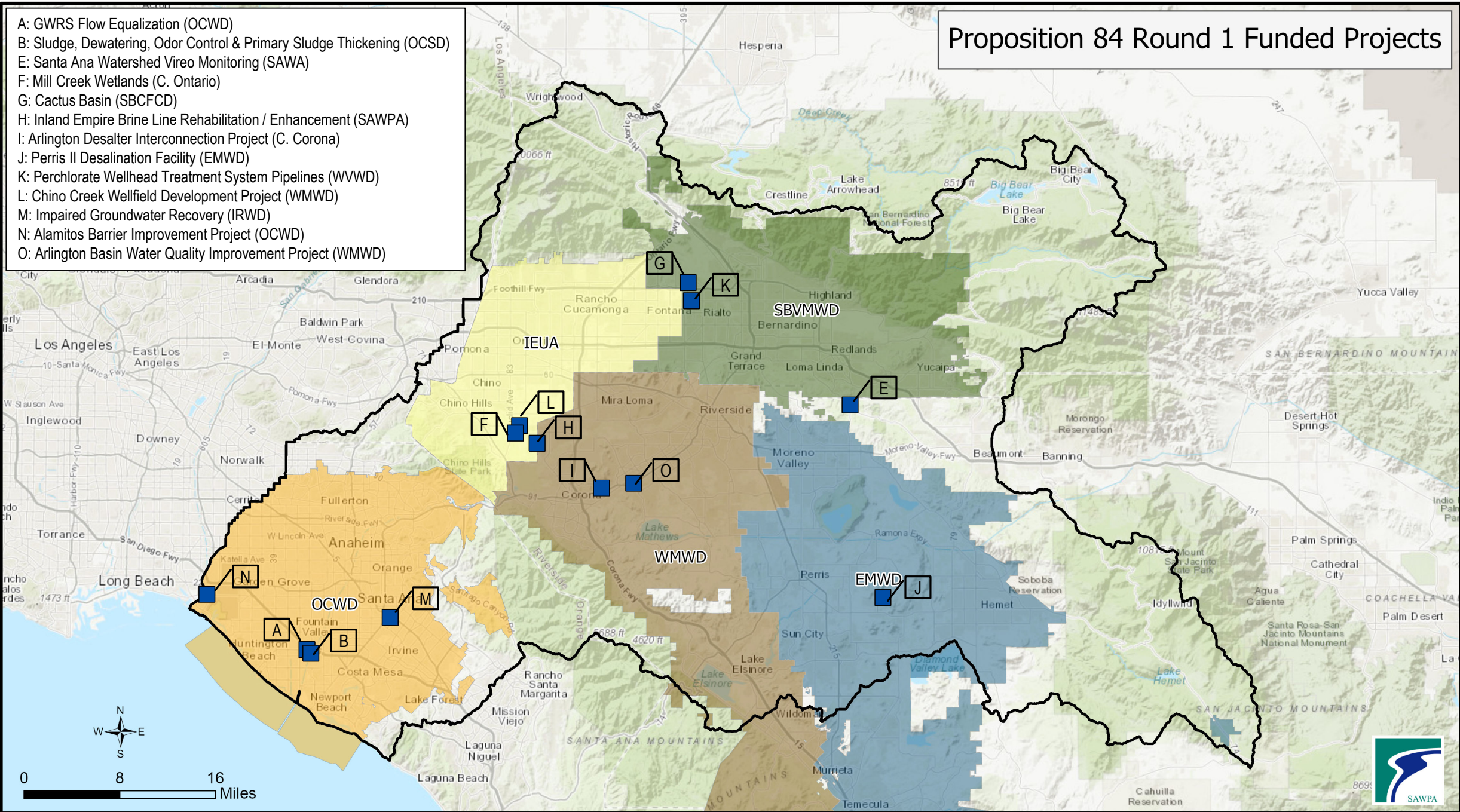


Round 1 Projects

(August 2011 – June 2019)

Proposition 84 Round 1 Funded Projects

- A: GWRS Flow Equalization (OCWD)
- B: Sludge, Dewatering, Odor Control & Primary Sludge Thickening (OCSD)
- E: Santa Ana Watershed Vireo Monitoring (SAWA)
- F: Mill Creek Wetlands (C. Ontario)
- G: Cactus Basin (SBCFCD)
- H: Inland Empire Brine Line Rehabilitation / Enhancement (SAWPA)
- I: Arlington Desalter Interconnection Project (C. Corona)
- J: Perris II Desalination Facility (EMWD)
- K: Perchlorate Wellhead Treatment System Pipelines (WWWD)
- L: Chino Creek Wellfield Development Project (WMWD)
- M: Impaired Groundwater Recovery (IRWD)
- N: Alamitos Barrier Improvement Project (OCWD)
- O: Arlington Basin Water Quality Improvement Project (WMWD)





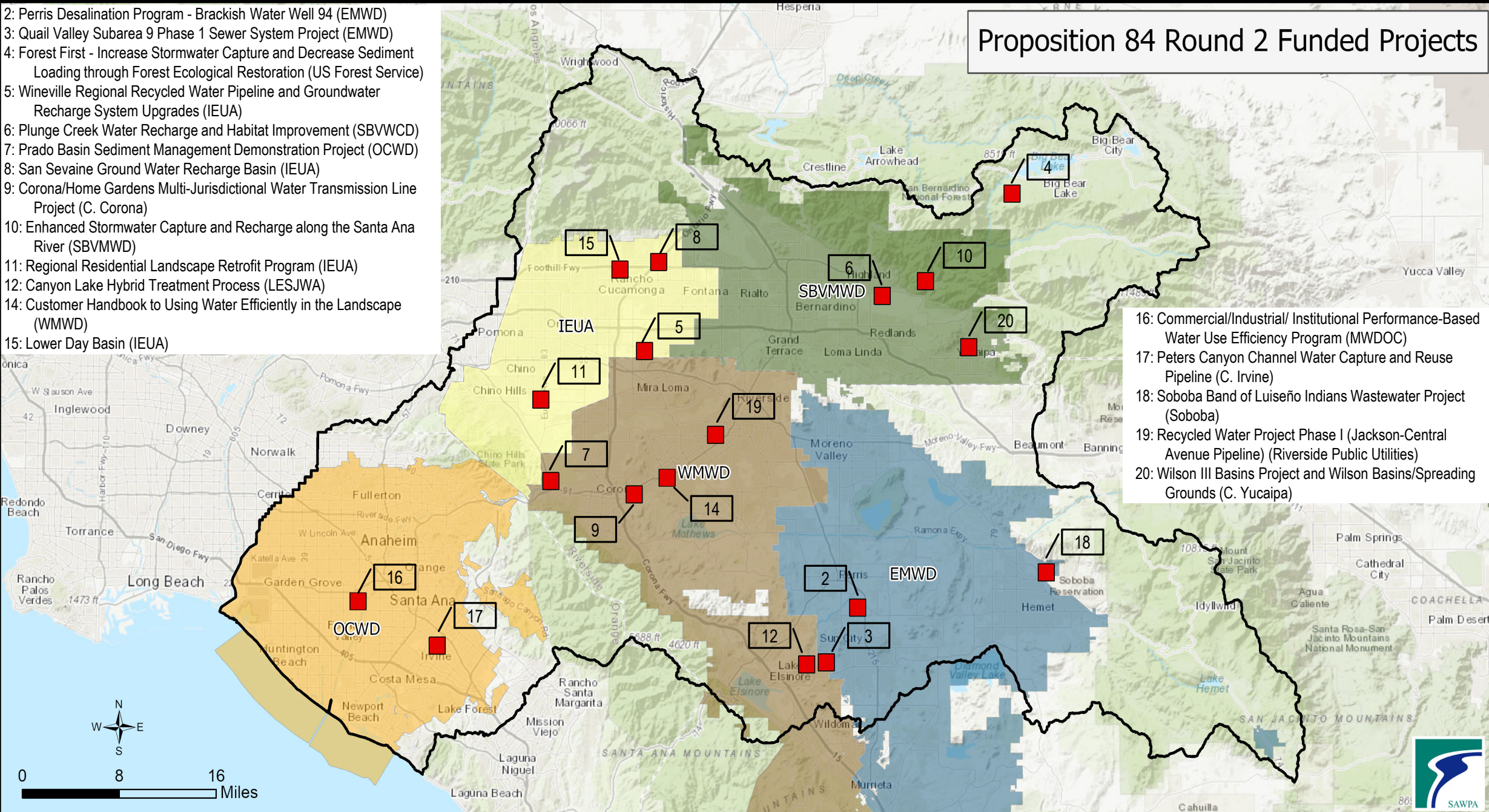
Round 2 Projects

(February 2014 – December 2020)

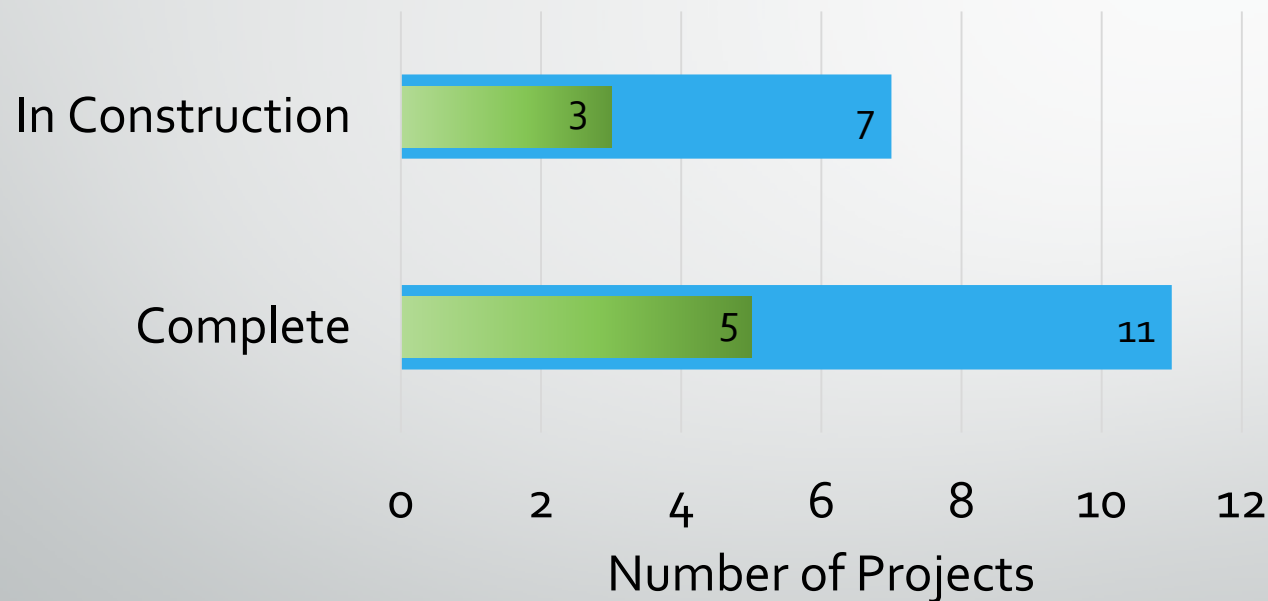
Proposition 84 Round 2 Funded Projects

- 2: Perris Desalination Program - Brackish Water Well 94 (EMWD)
- 3: Quail Valley Subarea 9 Phase 1 Sewer System Project (EMWD)
- 4: Forest First - Increase Stormwater Capture and Decrease Sediment Loading through Forest Ecological Restoration (US Forest Service)
- 5: Wineville Regional Recycled Water Pipeline and Groundwater Recharge System Upgrades (IEUA)
- 6: Plunge Creek Water Recharge and Habitat Improvement (SBVMWD)
- 7: Prado Basin Sediment Management Demonstration Project (OCWD)
- 8: San Sevaïne Ground Water Recharge Basin (IEUA)
- 9: Corona/Home Gardens Multi-Jurisdictional Water Transmission Line Project (C. Corona)
- 10: Enhanced Stormwater Capture and Recharge along the Santa Ana River (SBVMWD)
- 11: Regional Residential Landscape Retrofit Program (IEUA)
- 12: Canyon Lake Hybrid Treatment Process (LESJWA)
- 14: Customer Handbook to Using Water Efficiently in the Landscape (WMWD)
- 15: Lower Day Basin (IEUA)

- 16: Commercial/Industrial/ Institutional Performance-Based Water Use Efficiency Program (MWDOC)
- 17: Peters Canyon Channel Water Capture and Reuse Pipeline (C. Irvine)
- 18: Soboba Band of Luiseño Indians Wastewater Project (Soboba)
- 19: Recycled Water Project Phase I (Jackson-Central Avenue Pipeline) (Riverside Public Utilities)
- 20: Wilson III Basins Project and Wilson Basins/Spreading Grounds (C. Yucaipa)



Prop 84 Round 2 Project Status Update



- 7 Projects are in Construction with 3 of those 7 starting construction in the next quarter
- 11 Projects are Complete with 5 of those 11 pending the Project Completion Report

Proposition 84 Round 2 Project Status Update

Under Construction

| Project Name | Agency | Grant Amount | Required Funding Match | Add'l Cost Share | Total Project Cost | % Grant Billed | % Constr. Complete | % Project Complete |
|--|--------|--------------|------------------------|------------------|--------------------|----------------|--------------------|--------------------|
| Forest First | USFS | \$ 1,000,000 | \$ 2,055,039 37.00% | \$ 2,499,121 | \$ 5,554,160 | 38% | 65% | 65% |
| Plunge Creek Water Recharge and Habitat Improvement* | SBVWCD | \$ 500,000 | \$ 184,731 26.00% | \$ 25,769 | \$ 710,500 | 29% | 0% | 51% |
| Prado Basin Sediment Mgmt Demonstration Project | OCWD | \$ 750,000 | \$ 1,444,000 37.00% | \$ 1,704,000 | \$ 3,898,000 | 0% | 50% | 50% |
| Lower Day Basin* | IEUA | \$ 750,000 | \$ 1,531,171 37.00% | \$ 1,857,130 | \$ 4,138,301 | 0% | 18% | 78% |

* Construction will begin next quarter

Green – Project on schedule or ahead of schedule

Yellow/Green – Delay experienced but will finish prior to Grant Completion Date

Yellow – Delay experienced, not on schedule, unsure if project will complete on time

Orange/Red – Project behind schedule, unsure if project will complete on time, or requires additional information

Proposition 84 Round 2 Project Status Update

Under Construction*

| Project Name | Agency | Grant Amount | Required Funding Match | Add'l Cost Share | Total Project Cost | % Grant Billed | % Constr. Complete | % Project Complete |
|---|-----------|--------------|------------------------|------------------|--------------------|----------------|--------------------|--------------------|
| CII Performance Based WUE Program | MWDOC | \$ 500,000 | \$ 898,179 37.00% | \$ 1,029,333 | \$ 2,427,512 | 100% | N/A | 88% |
| Recycled Water Project Phase I | Riverside | \$ 1,000,000 | \$ 4,283,000 35.88% | \$ 6,655,000 | \$ 11,938,000 | 50% | 50% | 50% |
| Wilson III Basins Project and Wilson Basins/ Spreading Grounds* | Yucaipa | \$ 750,000 | \$ 5,176,131 39.51% | \$ 7,173,869 | \$ 13,100,000 | 28% | 0% | 58% |

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Proposition 84 Round 2 Project Status Update

Construction Complete – Final Report Pending

| Project Name | Agency | Grant Amount | Required Funding Match | Add'l Cost Share | Total Project Cost | % Grant Billed | % Constr. Complete | % Project Complete |
|---|--------|--------------|-------------------------|------------------|--------------------|----------------|--------------------|--------------------|
| Perris Desalination Program Well 94 | EMWD | \$ 1,000,000 | \$ 0 0.00% | \$ 9,238,280 | \$ 10,238,280 | 100% | 100% | 100% |
| Quail Valley Subarea 9 Phase I Sewer System | EMWD | \$ 1,930,000 | \$ 2,960,000 37.00% | \$ 3,110,000 | \$ 8,000,000 | 25% | 100% | 99% |
| Enhanced SW Capture/Recharge Along the SAR ¹ | SBVMWD | \$ 1,000,000 | \$ 11,581,000 87.88% | \$ 597,200 | \$ 13,178,200 | 100% | 100% | 95% |
| San Sevaine GW Recharge Basin | IEUA | \$ 750,000 | \$ 925,001 32.34% | \$ 1,184,999 | \$ 2,860,000 | 100% | 100% | 100% |
| Regional Residential Landscape Retrofit | IEUA | \$ 500,000 | \$ 370,000 37.00% | \$ 130,000 | \$ 1,000,000 | 100% | N/A | 100% |

¹ Phase 1A is complete; awaiting Amendment

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Proposition 84 Round 2 Project Status Update

Construction Complete – Retention Released

| Project Name | Agency | Grant Amount | Required Funding Match | Add'l Cost Share | Total Project Cost | % Grant Billed | % Constr. Complete | % Project Complete |
|--|--------|--------------|------------------------|----------------------------|--------------------|----------------|--------------------|--------------------|
| Wineville Regional Recycled Water Pipeline/GW Recharge System Upgrades | IEUA | \$ 1,000,000 | \$ 0 0.00% | \$ 29,500,000 ² | \$ 30,500,000 | 100% | 100% | 100% |
| Corona/Home Gardens Multi-Jurisdictional Wtr Transmission Line | Corona | \$ 1,300,000 | \$ 2,327,494 37.00% | \$ 2,663,031 | \$ 6,290,525 | 100% | 100% | 100% |
| Canyon Lake Hybrid Treatment Process | LESJWA | \$ 500,000 | \$ 327,635 37.00% | \$ 57,865 | \$ 885,500 | 100% | 100% | 100% |
| Customer Handbook to Using Water Efficiently | WMWD | \$ 120,000 | \$ 42,000 25.93% | \$ 0 | \$ 162,000 | 100% | N/A | 100% |

² \$29,500,000 in Other State Funds

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Proposition 84 Round 2 Project Status Update

Construction Complete – Retention Released

| Project Name | Agency | Grant Amount | Required Funding Match | Add'l Cost Share | Total Project Cost | % Grant Billed | % Constr. Complete | % Project Complete |
|--|--------|--------------|------------------------|------------------|--------------------|----------------|--------------------|--------------------|
| Peters Canyon Channel Water Capture and Reuse Pipeline | Irvine | \$ 1,000,000 | \$ 3,211,086 37.00% | \$ 4,467,523 | \$ 8,678,609 | 100% | 100% | 100% |
| Soboba Band of Luiseno Indians Wastewater Project | Soboba | \$ 147,905 | \$ 53,000 26.38% | \$ 0 | \$ 200,905 | 100% | N/A | 100% |

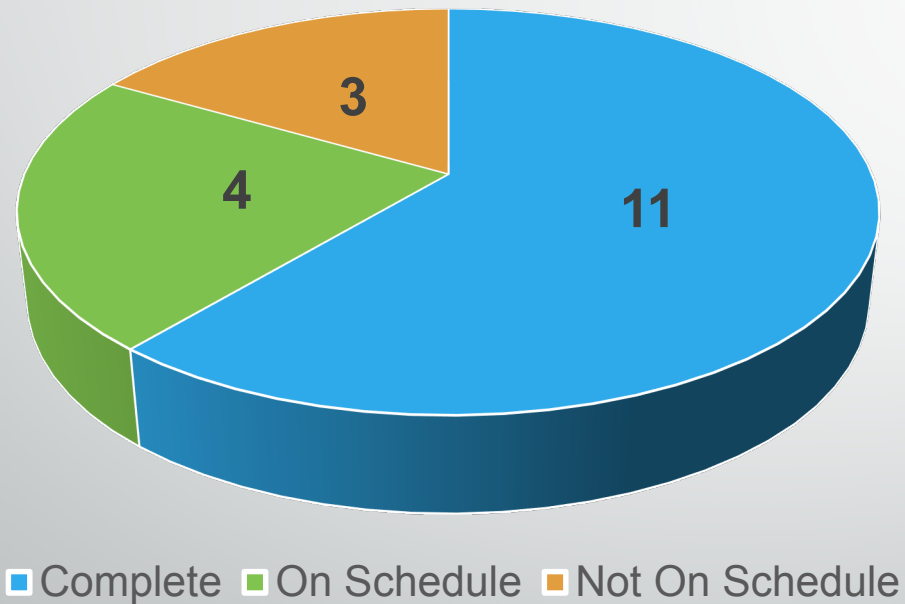
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Prop 84 Round 2 Project Status Update



- Plunge Creek Water Recharge and Habitat Improvement (SBVWCD)
- Recycled Water Project Phase I (Riverside Public Utilities)
- Wilson III Basins Project and Wilson Basins/Spreading Grounds (City of Yucaipa)



Questions?