Board of Directors Meeting

The mission of the Humboldt County Resource Conservation District is to assist private and public landowners in the planning, design, and implementation of soil, water, and forest resource conservation practices to improve and enhance natural and working lands in Humboldt County

REGULAR MEETING: AGENDA

Thursday, June 12, 2025

8:00 A.M.

(Items marked with * are attached to director packets. Packets may be requested by contacting the HCRCD at 707-296-3992 or emailing jill@hcrcd.org.)

LOCATION: HUMBOLDT AGRICULTURAL CENTER

5630 South Broadway
Eureka, CA 95503

OR

TELECONFERNCE via ZOOM & TELEPHONE

The public may observe the meeting from a desktop computer, mobile device, or telephone.

Join Zoom Meeting
https://us02web.zoom.us/j/85362576963?pwd=OPdwgbeBvCRIadC7cbKHN3qoLNkGQN.1
Meeting ID: 853 6257 6963
Passcode: 825874

If accessing from a **telephone**, you can listen to the meeting live by calling:
1 669 900 6833
Enter Meeting ID: 853 6257 6963 when prompted
Enter Passcode: 825874 when prompted
To mute or unmute yourself on a telephone, press *6
To raise your hand on a telephone, press *9

HOW TO SUBMIT PUBLIC COMMENTS:

Before the Meeting: Please email your comments to jill@hcrcd.org before 8am on the day of the meeting, write “Public Comment” in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. If you would like your comment to be read aloud at the meeting (not to exceed three minutes at staff’s cadence), prominently write “Read Aloud at Meeting” at the top of the email.

Contemporaneous Comments: During the meeting, the Board Chair or designee will announce the opportunity to make public comments and identify the cut off time for each attendee. Attendees may also “raise” their hand in Zoom or via telephone by pressing *9 to make comments. The chat feature within Zoom will also be monitored for comments submitted during the meeting.

1. **CALL TO ORDER** – Christine Manhart, Chair
2. **ROLL CALL**
3. **ADDITIONS OR CHANGES TO AGENDA** (Gov. Code 54954.2(B))
4. **PUBLIC COMMENT PERIOD**
   Any person may address the Board regarding any matter within the Board's jurisdiction that is not on the agenda. Speakers are asked to limit comments to three minutes. Members of the public may also comment on agenda items when they are discussed. (Gov. Code 54954.3(a)).
5. **CONSENT CALENDAR – ACTION**
   - 5.1 Approve Minutes for Regular Meeting of May 8, 2025*
   - 5.2 Review policies and potential action to:
     - 5.2.1 Modify Procurement and Subaward Policy* -modifications – clarifications and law
     - 5.2.2 Modify Construction Bidding Policy* - modifications – clarifications and law
     - 5.2.3 Approve Procurement Policy for Federal Awards*
     - 5.2.4 Approve Environmentally Preferable Purchasing and Practices (EPPP) Policy*
     - 5.2.5 Approve Capitalization Policy*
6. **ITEMS PULLED FROM CONSENT CALENDAR - ACTION**
7. **NEW BUSINESS – ACTION**
   - 7.1 Resolution 23-14 awarding Pacific Earthscape $1,024,319.60 for the Wadulh Lagoon Tidal Wetland Enhancement Project and authorizing the Board Chair or designee to execute contract documents and related amendments *
   - 7.2 Review and potential action to approve HCRCD Annual Budget and Fund Balance for Fiscal Year 24/25*
   - 7.3 Potential action to select date and establish procedure for Executive Director annual review*
   - 7.4 Review and approve May 2025 Financial Report and Staff Recommendations to approve reserve for payroll and tax liabilities and approve and issue payments for operating expenses and contractor payments as outlined in financial report.
8. **OLD BUSINESS – ACTION**
   - 8.1 Action to establish additional accounts and a line of credit at Redwood Capital Bank*
   - 8.2 Receive report on Salt River Ecosystem Restoration Project maintenance funding and long-term project timeline and potential action*
   - 8.3 Review and potential action to approve Resolution 25-06 authorizing submittal of application for the CalRecycle Farm and Ranch Solid Waste Cleanup and Abatement Grant Program for a site in Willow Creek*
9. **INFORMATIONAL ITEMS**
   - 9.1 District Director Updates and Announcements – Directors may provide updates on their activities related to the HCRCD such as other meetings attended and other relevant announcements.
   - 9.2 District Correspondence
   - 9.3 HCRCD Staff Reports* - HCRCD Program Managers
   - 9.4 NRCS Report
10. **FUTURE AGENDA ITEMS**
11. **NEXT REGULAR MEETING: July 10, 2025**
    Meeting location: Humboldt Agricultural Center
12. **ADJOURNMENT**

Public Notice: In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the RCD at 707-296-3992 or email admin@hcrcd.org. Notification at least 48 hours prior to meeting time will assist staff in assuring that reasonable accommodations can be made to provide accessibility at the meeting.

Agenda Item #5.1 (CONSENT)
For Regular Board Meeting of: June 12, 2025

HUMBOLDT COUNTY RESOURCE CONSERVATION DISTRICT
BOARD OF DIRECTORS

TO: Board of Directors
FROM: Jill Demers, Executive Director
SUBJECT: 5.1 Approve Minutes for Regular Meeting of May 8, 2025*
AGENDA SECTION: CONSENT

RECOMMENDATION
Approve Minutes for Regular Meeting of May 8, 2025

SUMMARY
n/a

FISCAL IMPACT
n/a

ATTACHMENTS
Minutes for Regular Meeting of May 8, 2025

Humboldt County Resource Conservation District
Board of Director's Monthly Board Meeting Minutes
Humboldt Agricultural Center, 5630 South Broadway, Eureka, CA 95503
or Teleconference via ZOOM and Telephone
May 8, 2025

1. Call to Order: Christine Manhart, Chair at 7:59 am
2. Roll Call
    - HCRCD Board of Directors: Christine Manhart (Chair), Lauri Barnwell (Secretary/Treasurer), Zach Cahill, Jim Cotton
      HCRCD Board of Directors Absent: Lane Russ (Vice Chair), Dan Cohoon, Reid Cody
    - HCRCD Staff: Jill Demers (Executive Director), Curtis Ihle (Assistant Executive Director), Anita Hipp, Doreen Hansen, Jake Taulbee, Katrina Henderson, Alex Cunha, Petra Engstrom
      HCRCD Staff Excused: Charlotte Favre, Travis Massey, Megan Kownurko, Kristin Cooper
    - In-Person Guest: Rex Bohn (Board of Supervisors)
    - Virtual Guest: Hank Seemann (Humboldt County Public Works)
3. Additions or Changes to Agenda – None
4. Public Comment Period – None
5. Consent Calendar
    5.1. Approve Minutes for the Regular Board Meeting of April 10, 2025
    5.2. Approve Professional service agreement with Karl Benemann Contracting for the Greater Willow Creek Wildfire Resilience Project – Shaded Fuel Break Phase 1 for $278,850.00 and authorize the Executive Director to execute agreement and any subsequent amendments.
    5.3. Approve entering into professional services agreement with Stillwater Sciences for Wilson Creek Restoration Planning Alternatives Analysis, 30% Design and CEQA, and 65%Design and Permit Applications for $697,123.00 and authorize the Executive Director to execute agreement and any subsequent amendments.
    5.4. Resolution 25-06 to approve the grant of funds from the State Coastal Conservancy for the Wadulh Lagoon Restoration Project.

    Motion to approve the Consent Calendar (items 5.1, 5.2, 5.3, 5.4) by Director Cotton, Seconded by Director Barnwell, Ayes: Directors Manhart, Cahill. Noes: None. Passed Unanimously

6. Items Pulled from the Consent Calendar – None
7. New Business
    7.1. Tabled until June Board Meeting – No Action: Resolution 25-07 to authorize the opening and transition of the district banking relationship to Tri Counties Bank. Executive Director Demers reviewed the benefits of their Special Districts Banking Program.
    7.2. Approve May 2025 Financial Report and Staff Recommendations to approve reserve for payroll and tax liabilities and approve and issue payments for operating expenses and contractor payments as outlined in the financial report.

    Motion to approve the New Business (item 7.2) by Director Barnwell, Seconded by Cotton. Ayes: Directors Manhart, Cahill. Noes: None. Passed Unanimously

8. Old Business

8.1. Resolution 25-08 to approve the grant of funds from the State Coastal Conservancy for the Advancing Restoration Designs for the Jacoby Creek Restoration Project and conditionally accepting grant if offered. Executive Director Demers reviewed Federal sources and how the Prop 4 funds will be allocated. We are looking for no obligation with the preproposal. This resolution, with final proposal, will be back on the June Board Agenda for approval with full funding amount.

Motion to approve Old Business (item 8.1) by Director Cahill, Seconded by Barnwell. Ayes: Directors Manhart, Cotton. Noes: None. Passed Unanimously

9. Informational Items
   - 9.1. District Director Updates and Announcements – None
   - 9.2. District Correspondence – None
   - 9.3. Executive Director Demers reviewed the HCRCD Staff reports and noted that the Salt River subcommittee will hold a meeting soon to discuss how to move the project forward. Public comment received regarding Salt River, sharing flooding impacts on Ambrosini Lane from Williams Creek and dissatisfaction that the project hasn't move forward.
   - 9.4. NRCS Report – None
10. Future Agenda Items: 7.1 Resolution 25-07 District Banking, FY25/26 Budget, Wadulh Lagoon
11. Next Regular HCRCD Board Meeting: June 12, 2025
12. Adjourned at 9:40 am

Agenda Item #5.2 (CONSENT)
For Regular Board Meeting of: May 8, 2025

HUMBOLDT COUNTY RESOURCE CONSERVATION DISTRICT
BOARD OF DIRECTORS

TO: Board of Directors
FROM: Jill Demers, Executive Director
SUBJECT: 5.2 Review policies and potential action to:
- 5.1.1 Modify Procurement and Subaward Policy*
- 5.1.2 Modify Construction Bidding Policy* -
- 5.1.3 Approve Procurement Policy for Federal Awards*
- 5.1.4 Approve Environmentally Preferable Purchasing and Practices (EPPP) Policy*
- 5.1.5 Approve Capitalization Policy*

AGENDA SECTION: CONSENT

RECOMMENDATION
Take action to:
- Modify Procurement and Subaward Policy
- Modify Construction Bidding Policy
- Approve Procurement Policy for Federal Awards
- Approve Environmentally Preferable Purchasing and Practices (EPPP) Policy
- Approve Capitalization Policy

SUMMARY
The CPAs completing the Districts recent Federal Single Audit made a find regarding the District's Procurement policies, noting that the policies do not go into detail regarding all the requirements noted in 2 CFR section 200.318 through 200.327. The District engaged legal counsel to review the District's Procurement and Subaward Policy and Construction Bidding Policy, which, together, guide procurement at the District. Counsel recommended 1) modifying the Procurement and Subaward Policy and the Construction Bidding Policy to provide clarifications and better alignment with applicable laws, 2) developing a separate Procurement Policy for Federal Awards to meet federal grant requirements, and 3) developing a stand alone Environmentally Preferable Purchasing and Practices (EPPP) Policy to align with applicable law and meet CalRecycle grant guidelines.

Additionally, the District acquired its first capital asset, requiring adoption of a Capital Asset Policy by the end of the fiscal year.

FISCAL IMPACT
n/a

ATTACHMENTS
- Procurement and Subaward Policy, modifications proposed with track changes
- Modify Construction Bidding Policy, modifications proposed with track change

- Procurement Policy for Federal Awards
- Environmentally Preferable Purchasing and Practices (EPPP) Policy
- Capitalization Policy

Humboldt County Resource Conservation District
5630 South Broadway Eureka, CA 95503
Phone (707) 442-6058 Ext. 5
info@hcrcd.org

Procurement and Subaward Policy
Approved by the Board of Directors on March 14, 2024
Updated DATE

1. Purpose. The purpose of this policy is to establish the District's requirements for subawards and the procurement of services and goods.

2. Definitions. Unless the context clearly indicates otherwise, the following definitions apply to this policy regardless of whether the defined term is capitalized:

   2.1. Procurement. Process for the District to source, purchase, and acquire goods and services from a contractor or vendor.

   2.2. Contract. A written, legally binding agreement between the District and a contractor or vendor to provide goods or services to the District. The contractor or vendor is legally bound to complete a specific performance requirement, often defined by a scope of work contained in the contract, and with the goods or services delivered by a specified date, with specific consideration for compensation, and other requirements set forth in the contract.

   2.3. Purchase Order. Document(s) indicating terms, types, quantities, and agreed prices for products and/or services.

   2.4. Public Project. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased, or operated facility and painting or repainting of any publicly owned, leased, or operated facility, as further specified in Public Contract Code § 22002(c).

   2.5. Professional Services. Services that require a professional license, degree, certification, or high level of technical skill, including, but not limited to, architectural and engineering services, grant writing, or IT support. Examples of professional services commonly needed by the District include services in the nature of environmental assessment and planning, construction management, monitoring, reporting, engineering, environmental review or compliance, land surveying, biology, ecology, hydrology, forestry, geomorphology, agronomy, IT / communications, bookkeeping or auditing.

   2.6. Subaward and Subrecipient. When the District serves as a pass-through entity for funding to a partnering entity to carry out specific tasks, the partnering entity is a subrecipient and the funding they receive to carry out their responsibilities is the subaward. A subaward may be provided through a contract.

   2.7. Goods. Tangible items, including materials, equipment, and supplies.

2.8. Services. Intangible products or assistance, including, but not limited to, professional services, public project work, and maintenance work.

2.9. Emergency. A sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

2.10. Maintenance. Maintenance work includes all of the following, as set forth in Public Contract Code § 22002(d): (1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes; (2) Minor repainting; (3) Resurfacing of streets and highways at less than one inch; (4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems; (5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

2.11. Architectural and Engineering Services. Architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services, all of which are included in professional services and are also subject to the provisions of Government Code § 4529.10 et seq.

3. Compliance with Law. All District procurements must be made in compliance with District policies, applicable laws, funding source requirements (if any), and any applicable procedures arising from an insurance or self-insurance program. (See also District's Environmentally Preferable Purchasing and Practices Policy.) District procurements that are subject to federal funding, in whole or in part, must also comply with the District's Procurement Policy for Federal Awards. In the event of any conflict or inconsistency between applicable local, state, or federal requirements, the more stringent provision will control.

4. Procurement. The following procurement procedures apply to the District's procurement of goods or services. The entity providing the goods or services is a vendor or contractor.

4.1. Authority to Approve Contracts and Purchase Orders. The District has three levels of approval authority for contracts and purchase orders: approval by the Board of Directors; approval delegated to the Executive Director by the Board of Directors; and approval delegated to a designee of the Executive Director by the Executive Director which, depending on the circumstances, may or may not require prior approval of the Board of Directors. Where referenced, the maximum approval authority amounts refer to the total price of a contract or purchase order, including all anticipated associated costs.

4.2. Procurement of Services. The following procurement procedures apply to the procurement of services, except for public project work, which must be procured in accordance with the District's Construction Bidding Policy:

4.2.1. Basis of Award for Services. Services are often of a technical and professional nature, and, due to the nature of the services to be provided, do not typically lend themselves to "lowest cost" as the primary selection criteria. Selection of the successful contractor may be based on a variety of criteria or considerations to ensure the best value to the District, including timely and acceptable performance and management of the work and/or environmental and social benefits. Criteria may include, but are not limited to: cost; quality; dependability; warranty; demonstrated experience and competence; insurability; understanding of the scope of work; financial ability; resources to perform the work; willingness to cooperate with District and technical staff; proposed methods; environmental health and greenhouse gas emissions; and social benefit and employment of local residents.

4.2.2. Services Equal to or Less Than $150,000. If the cost of furnishing services to the District will not exceed $150,000, the contract may be procured in a manner that serves the best interests of the District, which may include informally soliciting cost information and qualifications from potential contractors to select a contractor that provides the best value to the District and documenting the basis for contract award, whenever reasonably feasible. The Executive Director may approve the contract without seeking the approval of the Board of Directors. The Executive Director-approved contract shall be signed by the Executive Director, or in the Executive Director's absence, his or her designee.

4.2.3. Services in Excess of $150,000. If the cost of furnishing services to the District will exceed $150,000, the District will competitively procure the services in accordance with Section 4.2.5, below, and approval by the Board of Directors is required prior to entering into a contract. Contracts which have been approved by the Board shall be signed by the Executive Director, or in the Executive Director's absence, his or her designee, unless the Board has directed that the Board Chair sign on behalf of the District.

4.2.4. Architectural and Engineering Services. Notwithstanding any provision to the contrary in this policy, all contracts for architectural and engineering services, as defined herein and in Government Code § 4529.10, must be procured pursuant to a fair, competitive selection process as specified in Government Code § 4529.12.

4.2.5. Competitive Procurement of Services. To competitively procure services, the District shall: prepare a project-specific Request for Proposal (RFP) that outlines the terms, conditions and specifications of the services required by the District; and/or prepare a new or utilize an active Request for Qualifications (RFQ) that requests relevant professional qualifications, experience, staffing and support, and/or hourly rates of respondents in order to evaluate, select, and negotiate a contract for the project. To the extent reasonably possible, a minimum of three qualified firms or individuals shall be invited to submit proposals or statements of qualifications in response to an RFP or RFQ. District staff will determine appropriate posting of the RFP or RFQ announcement for generating interest. District staff and/or District directors and/or partners selected by District staff will evaluate, score, and rank the proposals or statements of qualifications received in response to the RFP or RFQ, based on the criteria developed by the District for the project or required services and specified in the RFP or RFQ. The criteria shall be documented in the recommendation for award of the contract to the Board of Directors during the approval process.

4.2.6. Extension of Contracts for Services. The District may enter into contracts for services that contain provisions authorizing a specific time extension or renewal of a contract. Any decision to extend or renew an existing contract should consider an evaluation of the work performed by the contractor. If the anticipated cost of services to be performed during the extension or renewal term does not exceed $150,000, the Executive Director may approve the contract amendment extending or renewing the contract without seeking approval of the Board of Directors. If the total amount exceeds $150,000, the contract must be approved by the Board. In either case, the approved contract amendment shall be signed by the Executive Director, or in the Executive Director's absence, his or her designee, unless the Board has directed that the Board President sign on behalf of the District.

4.2.7. Oversight of Contractors. The District must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

4.3. Procurement of Goods. The District will procure goods in a manner that serves the best interests of the District, which may include an informal or formal request for quotes process to select a vendor that can provide the best value to the District. The approval authority for contracts or purchase orders for goods is as follows:

4.3.1. Goods Equal To or Less Than $50,000. If the cost of furnishing goods to the District will not exceed $50,000, the Executive Director may approve the contract or purchase order without seeking approval of the Board of Directors.

4.3.2. Goods in Excess of $50,000. If the cost of furnishing goods to the District will exceed $50,000, approval from the Board of Directors is required prior to purchase. Contracts or purchase orders which have been approved by the Board shall be signed by the Executive Director, or in the Executive Director's absence, his or her designee, unless the Board has directed that the Board President sign on behalf of the District.

4.4. Open Purchase Orders/Contracts for Routine and Repetitive Goods and Services for District Operations. Subject to the limits of law, open purchase orders or contracts may be entered into with vendors or contractors who are expected to supply routine goods and/or services to the District on a regular basis. Any such purchase order or contract will be procured in accordance with the requirements in this policy and approved in the manner set forth in this policy. Multi-year contracts should be used only when appropriate and necessary to secure the best pricing, best service, or assure continuity of service.

Whenever feasible, multi-year contracts for services or goods shall provide that the option to renew or extend the contract is at the District's sole discretion.

5. Exceptions to Competitive Procurement Requirements. Exceptions to the competitive procurement requirements in the District's policies, including this policy and the Construction Bidding Policy, may apply under certain conditions.

5.1. Documentation of Exception. If an exception to competitive procurement applies, an explanation of the applicable exception(s) shall be documented in writing and approved, prior to entering into the contract, by either the Executive Director for procurements within the approval authority of the Executive Director, or by the Board of Directors for procurements requiring Board approval.

5.2. Exceptions to Competitive Procurement. Notwithstanding any other provision in the District's policies, but subject to the limits of law, the following procurements may be made without any competitive procurement process:

5.2.1. Sole Source. Competitive procurement is not required when there is only one reasonable and practicable source for the goods or services because of the unique quality of the goods or services; availability; compatibility or continuity with existing District programs, equipment, or systems; or the proprietary nature of the goods or services.

5.2.2. Emergencies. The Board of Directors hereby delegates to the Executive Director the authority to declare an emergency and to award contracts necessary to address an emergency without a competitive procurement process. The Executive Director shall document in writing that the emergency will not permit a delay resulting from a competitive solicitation process, and that immediate action is necessary to respond to the emergency. In the case of an emergency requiring an immediate purchase, the Executive Director may authorize his or her designee to secure in the open market any services or goods required to respond to the emergency, regardless of the amount of the expenditure. The Executive Director shall report the status of the emergency to the Board of Directors at the next regularly scheduled meeting, and at every regularly scheduled meeting thereafter, until the emergency is resolved. For procurements subject to the Public Contract Code, the District will comply with the procedures set forth in Public Contract Code § 22050. (See the District's Construction Bidding Policy for more information.)

5.2.3. Cooperative Procurements; Piggyback. The District is authorized to join with other public jurisdictions or nonprofit organizations in cooperative purchasing contracts, plans, programs or pricing agreements. The District may also buy directly from a vendor at a price established by a competitive procurement process conducted by another public jurisdiction or nonprofit organization, even if the District has not joined with that public agency or nonprofit organization in a cooperative purchase or formal contract. The District may also purchase from the United States of America, any state, municipality, or other public corporation or agency, without following a competitive procurement process. Board approval is required prior to purchases that exceed the approval authority of the Executive Director, as set forth in this policy.

5.2.4. Purchases Not Susceptible to Competitive Procurement. Except where otherwise required by laws or by applicable funding conditions, goods and services may be procured by negotiated contract and without a competitive procurement process where the procurement is not readily adaptable to the open market and competitive processes. Such procurements include, but are not limited to: utility services for District buildings or facilities; insurance or bond premiums; and subscriptions, memberships, software licenses, advertisements and travel expenses.

6. Subaward. The District may fund a program or project or enter into a contract without a competitive selection process through a subaward of financial assistance to an eligible organization. Often this entity is identified as a partner organization in a grant application. Some characteristics that support the classification of an entity as a subrecipient rather than a contractor include when the entity:

- has responsibility for programmatic decision-making;
- requires considerable discretionary judgment in the performance of the work;
- contributes to the conduct of the project as described in the statement of work for the prime award; and
- uses the funding to carry out a program for the entity's public purpose as specified in their mission statement or authorizing statute.

In determining whether the District classifies an entity as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the District must use judgment in classifying each agreement as a subaward or a procurement contract. The Executive Director shall notify the Board of Directors of signed subaward agreements exceeding $60,000.

Subawards are distinct from the purchasing of goods and services that constitutes a procurement relationship. Therefore, subawards do not function as exceptions to procurement requirements.

7. Conflict of Interest. All procurements must comply with applicable conflict of interest laws, including the District's Conflict of Interest Code, which generally ensures that no District employee or official has a financial interest in any transaction to which the District is a party and which comes before said official or employee for recommendation or action.

Humboldt County Resource Conservation District
5630 South Broadway Eureka, CA 95503
Phone (707) 442-6058 Ext. 5
info@hcrcd.org

Construction Bidding Policy

Approved by the Board of Directors on February 9, 2017
Updated April 12, 2018; October 14, 2021; and DATE

Purpose. The Humboldt County Resource Conservation District ("District") performs restoration and conservation activities intended to demonstrate and implement natural resource conservation practices. District activities may require contracting with contractors to perform work on "public projects," as defined in this Policy. The Construction Bidding Policy was developed and adopted to ensure District compliance with applicable laws and regulations relating to public projects and to provide transparency and accountability to the constituents of the District. The District has elected under Public Contract Code § 22030 to become subject to the uniform construction cost accounting procedures set forth in the Uniform Public Construction Cost Accounting Act, Public Contract Code § 22000 et seq. (the "Act"), including the policies and procedures promulgated by the Uniform Construction Cost Accounting Commission ("Commission") in its Cost Accounting Policies and Procedures Manual. The District's Construction Bidding Policy ensures compliance with the Act, including the informal bidding procedures set forth in the Act, and the Commission's policies and procedures.

Definitions. For purposes of this Policy, "public project" means any of the following, as set forth in Public Contract Code § 22002(c): Construction, reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased, or operated facility; and painting or repainting of any publicly owned, leased, or operated facility. "Facility" means any plant, building, structure, ground facility, utility system (subject to the limitation in Public Contract Code § 22002(c)(3)), real property, streets and highways, or other public work improvement.

Policy. The procedures set forth below apply to the District's procurement of public projects. (See the District's Procurement and Subaward Policy for procurement requirements relating to design and other services required by the District.)

1. BID THRESHOLDS. The bid thresholds established pursuant to the Act and set forth in Public Contract Code § 22032, as amended from time to time, will apply to determine the applicable bidding requirements for a public project. The following bid threshold amounts will be deemed modified to align with future increases to the corresponding amounts set forth in Public Contract Code § 22032.

    a. PUBLIC PROJECTS OF $75,000 OR LESS Public projects that are estimated to cost up to and including the amount set forth in Public Contract Code § 22032(a), currently $75,000, may be performed in accordance with the procedures set forth in this section.
        i. The public project may be performed by the employees of the District by force account, by negotiated contract, or by purchase order.
        ii. The District may seek at least two proposals for the project, but it is not required to seek any proposals for the project.

iii. The Board Chair or the Executive Director are authorized to execute a contract.

b. PUBLIC PROJECTS OF $220,000 OR LESS. Public projects that are estimated to cost more than the amount set forth in Public Contract Code § 22032(a) (currently $75,000), but no more than the maximum amount set forth in Public Contract Code § 22032(b), currently $220,000, may be let to contract in accordance with the informal bid procedures set forth in this section and in the Act, including, but not limited to, Public Contract Code § 22034, as may be amended from time to time.
    i. Notice to contractors shall be provided in accordance with either paragraph 1 or 2, or both.
        1. The District shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the Commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this paragraph shall be completed not less than 10 calendar days before bids are due.
        2. The District may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Public Contract Code § 22036.
    ii. Additional contractors and/or construction trade journals may be notified at the discretion of the District, provided however:
        1. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors. To the greatest extent possible, the District shall endeavor to solicit competitive bids, even for proprietary contracts.
    iii. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.
    iv. The Board of Directors may reject all bids received, if, prior to rejecting all bids, the District provides written notice to the apparent low bidder of the District's intention to reject the bid. The notice shall be mailed at least two business days prior to the hearing at which the District intends to reject the bid.
    v. The Board of Directors shall award the contract to the lowest responsive, responsible bidder, if a contract is awarded.
    vi. If all bids received are in excess of $220,000, the Board of Directors 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 it determines the cost estimate of the District was reasonable.

c. PUBLIC PROJECTS MORE THAN $220,000. Public projects that are estimated to cost more than the amount set forth in Public Contract Code § 22032(c), currently $220,000, must, except as otherwise provided in the Act or District policy, be let to contract by formal bidding procedure, as set forth in this section and in the Act, including, but not limited to, Public Contract Code § 22037, as may be amended from time to time.

i. A notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project.
ii. The notice shall be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the District.
iii. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified in Public Contract Code § 22036. The notice shall be sent at least 15 calendar days before the date of opening the bids.
iv. The Board of Directors may reject all bids received, if, prior to rejecting all bids, the District provides written notice to the apparent low bidder of the District's intention to reject the bid. The notice shall be mailed at least two business days prior to the hearing at which the District intends to reject the bid.
v. The Board of Directors shall award the contract to the lowest responsive, responsible bidder, if a contract is awarded.

2. EXCEPTIONS.
   a. EXCEPTIONS IN PROCUREMENT AND SUBAWARD POLICY. Subject to the limits of law, if the procurement meets an exception to competitive procurement as set forth in the District's Procurement and Subaward Policy, it may be made without a competitive bid process. (See the District's Procurement and Subaward Policy for more information.)
   b. EMERGENCY. In the case of an "emergency," as defined in Public Contract Code § 1102, the District may follow the procedures set forth in Public Contract Code § 22035 and § 22050.
      i. Pursuant to Public Contract Code § 22050(b)(1), the District Board hereby delegates authority to the Executive Director to declare an emergency and to order any emergency action to repair or replace a public facility, take any directly related and immediate action required by the emergency, and procure the necessary equipment, services, and supplies for those purposes, without a competitive bid process. The Executive Director will report to the Board of Directors, at its next meeting required pursuant to Public Contract Code § 22050, 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. The Board of Directors will initially review the emergency action no later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur no later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine that there is a need to continue the action, unless the Executive Director has terminated the action prior to the Board of Directors reviewing the emergency action and making a determination that there is a need to continue the action.

3. CHANGE ORDER AUTHORITY. The Board Chair or Executive Director are authorized to approve change orders to existing contracts for public projects without Board approval if such change orders do not cumulatively exceed 20% of the contract price or $150,000, whichever is

less. If the change orders cumulatively exceed 20% of the contract price or $150,000, then Board approval is required, except in the event of an emergency.

4. GENERAL.
   a. The plans and specifications for public projects shall be approved by the Executive Director or his/her designee.
   b. Where appropriate, and at the discretion of the Executive Director or his/her designee, the District shall conduct a pre-bid conference at the project site, which the design professional for the project and interested bidders may attend. Bidders shall be given at least 5 business days' notice of the date, time and place of the pre-bid conference. Bids shall not be due until at least 5 business days after the pre-bid conference.
   c. Payment Bonds are required on projects costing more than $25,000.
   d. Performance Bonds are required on projects costing more than $100,000.
   e. Contractors bidding on a public project must list subcontractors as required by the Public Contract Code.
   f. The contractor awarded the contract must provide evidence of general liability insurance; workers compensation insurance; automobile insurance and, where required in the contract documents, a "builders risk – all risk" policy.
   g. The District and its contractors shall comply with all applicable provisions of the California Labor Code relating to prevailing wages, hours, discrimination, and workers compensation benefits, Department of Industrial Relations policies and procedures pertaining to public works projects (as defined under the Labor Code), and any other applicable state or federal laws.
   h. The District shall comply with all grant requirements relating to its public projects.

Humboldt County Resource Conservation District

5630 South Broadway Eureka, CA 95503
(707) 442-6058 Ext. 5 │ info@hcrcd.org

Procurement Policy for Federal Awards

Approved by the Board of Directors on DATE

1. Purpose. This policy includes procedures for procurement transactions under a federal award or subaward, including for acquisition of property or services. The procedures are intended to implement the Federal Procurement Requirements, as defined herein; to supplement the District's Construction Bidding Policy and Procurement and Subaward Policy; and to ensure compliance with applicable state and federal legal requirements.

2. Definitions. The definitions set forth below apply to these procedures, regardless of whether the terms are capitalized herein:

   2.1. Federal Procurement Requirements means the uniform federal award procurement requirements set forth in 2 CFR §§ 200.318 – 200.327, as may be amended from time to time, which apply to federally funded procurements, and any additional federal requirements that apply to a particular procurement.

   2.2. Micro-Purchase Threshold means the dollar amount at or below which the District may purchase property or services subject to the Federal Procurement Requirements using micro-purchase procedures, currently $10,000, which is based on the District's internal controls, an evaluation of risk, and its documented procurement procedures. (See Subsection 3.6.1(1), Micro-Purchases, below.)

   2.3. Simplified Acquisition Threshold means the dollar amount below which the District may purchase property or services subject to the Federal Procurement Requirements using small purchase methods, currently $250,000, which is based on the District's internal controls, an evaluation of risk, and its documented procurement procedures. (See Subsection 3.6.1(2), Informal Procurement Methods for Small Purchases, below.)

   2.4. Vendor means a business entity or sole proprietor that may provide goods or services to the District.

3. Federal Procurement Policy.

   3.1. Legal Compliance. Any procurement made pursuant to a federal award or subject to reimbursement, in whole or in part, with federal funds must comply with the District's procurement procedures, including this Policy, state law, and the Federal Procurement Requirements, including 2 CFR § 200.322, Domestic preferences for procurements; 2 CFR § 200.323, Procurement of recovered materials; 2 CFR § 200.324, Contract cost and price; 2 CFR § 200.325, Federal agency or pass-through entity review; 2 CFR § 200.326, Bonding requirements; and 2 CFR § 200.327, Contract provisions. (2 CFR § 200.318.) In the event of any conflict or inconsistency between District, state, or federal requirements, the most stringent requirement must be used. (See 2 CFR § 200.318.) District employees must comply with funding agency requests for review of technical specifications or procurement documents as provided in 2 CFR § 200.325. The Federal Procurement Requirements are occasionally updated—be sure to check the currently applicable regulations using the provided references.

3.2. Standards of Conduct. No employee, officer, agent, or board member of the District with a real or apparent conflict of interest may participate in the selection, award, or administration of a contract for the acquisition of property or services required under a federal award, as further specified in this Section.

3.2.1 *Conflict of Interest*. A conflict of interest includes any circumstances under which the employee, officer, agent, or board member, any member of their immediate family, their partner, or an organization that employs or is about to employ any of those parties, has a financial or other interest in or a tangible personal benefit from a vendor considered for a contract. No employee, officer, agent, or board member of the District may solicit or accept gratuities, favors, or anything of monetary value from vendors. Disciplinary actions, up to and including termination for cause, will apply to any violation of these conflict of interest standards, in accordance with District policy and/or, as applicable, a collective bargaining agreement, employment contract, or contract for services. (See 2 CFR § 200.318(c)(1).)

3.2.2 *Prohibitions.* District employees may not violate laws pertaining to conflicts of interest, political contributions, or unlawful activities. A District employee may not participate in the vendor selection process if the employee has (1) a financial relationship, as set forth in Government Code § 87100 et seq., with the person or firm seeking a contract; or (2) a real or apparent conflict of interest under Government Code § 1090 et seq.

3.2.3 *Vendor Conflicts*. Vendors that develop or draft specifications, requirements, statements of work, or invitations for bids for a procurement must be excluded from competing on those procurements. (See 2 CFR § 200.319(b) and Gov. Code § 1090 et seq.)

3.3. Administration.

3.3.1 *Oversight.* District personnel must maintain oversight over procurements to ensure that vendors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. (See 2 CFR §§ 200.318(b), 200.501(h).)

3.3.2 *Procurement Records*. Records must be maintained for each procurement of goods or services documenting the history of the procurement, including records of (1) the rationale for the procurement method, (2) contract type selection, (3) contractor selection or rejection, and (4) the basis for the contract price. (See 2 CFR § 200.318(i).)

3.3.3 *Dispute Resolution.* All protests, disputes, or claims arising from a procurement will be addressed promptly by the District, and in compliance with all applicable legal or contractual requirements. (See 2 CFR § 200.318(k).)

3.3.4 *Conflicting Requirements.* For projects involving grant agencies with specific requirements for procurement of consulting services, to the extent those requirements conflict or are inconsistent with these procedures, the more stringent provisions will control.

3.4. General Federal Requirements and Recommendations.

3.4.1 *Full Competition*. District personnel must discharge their duties impartially to ensure full and open competition for District business by responsible vendors. (See 2 CFR § 200.319.) District personnel will treat all vendors equally and fairly, with equal information given to each vendor who participates in the procurement process. District personnel will ensure that all prequalified lists of persons, firms, or products used in procurement transactions are current and include enough qualified sources to ensure maximum open competition. When establishing or amending prequalified lists, District personnel will consider objective factors that evaluate price and cost to maximize competition. District personnel may not place unreasonable restrictions on competition. Examples of situations that may restrict competition include, but are not limited to, the following (per 2 CFR § 200.319):

(1) Placing unreasonable requirements on vendors to qualify for the procurement;

(2) Requiring unnecessary experience and excessive bonding;

(3) Noncompetitive pricing practices between vendors or affiliates;

(4) Noncompetitive contracts to consultants that are on retainer contracts;

(5) Organizational conflicts of interest;

(6) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement;

(7) Precluding potential bidders from qualifying during the solicitation period; and

(8) Any arbitrary action in the procurement process.

3.4.2 *Economical Approach*. All procurements must be undertaken in a manner that will avoid the acquisition of unnecessary or duplicative items, which may include consideration of consolidating or breaking out procurements, lease alternatives, and other appropriate analysis to determine the most economical approach, subject to the limits of applicable law, including prohibitions against bid-splitting. (See 2 CFR § 200.318(d).)

3.4.3 *Procurement Solicitations and Specifications*. All procurement solicitations must be made in accordance with 2 CFR § 200.319(b), incorporate a clear and accurate description of the technical requirements for the property, equipment, or service being procured, and identify any additional requirements which potential vendors must fulfill and all other factors that will be used in evaluating bids or proposals. (2 CFR § 200.319(d).) The description of technical requirements may include a statement of the qualitative nature of the property, equipment, or service to be procured and, when necessary, must provide minimum essential characteristics or standards to which the goods or services must conform. (See 2 CFR § 200.319(d)(2) and Pub. Con. Code § 3400.)

3.4.4 *Required Contract Provisions.* Pursuant to 2 CFR § 200.327, contracts for federally-funded procurements must contain the applicable provisions described in Appendix II of Part 200 – Contract Provisions for non-Federal Entity Contracts Under Federal Awards. Sample Federal Contract Provisions are attached as Appendix A. Contracts over $10,000 must address the District's ability to terminate for cause and for convenience, including the manner for effectuating termination, and the basis for final payment to the terminated vendor. In addition, contracts for federally-funded procurements that exceed the Simplified Acquisition Threshold must address administrative, contractual, or legal remedies for vendor violation of contract terms, and provide for sanctions and penalties as appropriate, subject to the limitations of law.

3.4.5 *Domestic Preferences for Procurements*. The District should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, including, but not limited to, iron, aluminum, steel, cement, and other manufactured products, as further specified in 2 CFR § 200.322. This requirement must be included in all contracts and purchase orders under federal awards.

3.4.6 *Procurement of Recovered Materials.* Federally-funded procurements must comply with the Solid Waste Disposal Act, as further specified in 2 CFR § 200.323. This requirement must be included in the contract requirements. Additionally, the District should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. (See 2 CFR § 200.323 and the District's Environmentally Preferable Purchasing and Practices Policy.)

3.4.7 *Cost/Price Analysis.* For every procurement transaction, including contract modifications, in excess of the Simplified Acquisition Threshold, a cost or price analysis must be performed, and must include making independent estimates before receiving bids or proposals. (See 2 CFR § 200.324.) The method and degree of analysis will depend on the facts surrounding the particular procurement transaction. Costs or prices based on estimated costs for federally-funded contracts are allowable only as provided in 2 CFR § 200.324.

3.4.8 *Excess or Surplus Property.* When it will reduce project costs and is feasible, use of excess and surplus federal property is encouraged over purchasing new. (See 2 CFR § 200.318(f).)

3.4.9 *Value Engineering.* For larger federally-funded construction projects, a provision for value engineering may be added to the construction contract, subject to prior authorization from the Executive Director. A value engineering provision must include a clear procedure for submission, approval, and cost-sharing of savings, consistent with Public Contract Code § 7101, and approval as to form by the District's General Counsel. (See 2 CFR § 200.318(g).)

3.4.10 *Time and Materials.* A time and materials contract may not be used for a federally-funded procurement, unless the Executive Director or his or her designee has determined that no other type of contract is suitable for the procurement, and provided the procurement complies with 2 CFR § 200.318(j). Similarly, a "cost plus percentage of cost" and "percentage of construction costs" contract may not be used, as further specified in 2 CFR § 200.324.

3.4.11 *Strategic Sourcing.* When appropriate for the procurement or use of common or shared goods and services, use of intergovernmental agreements or similar procurement arrangements using strategic sourcing is encouraged. (See 2 CFR § 200.318(e).)

3.4.12 *Labor and Employment Practices*. If consistent with the U.S. Constitution, applicable federal statutes and regulations, the objectives and purposes of the applicable federal financial assistance program, the Federal Procurement Requirements, and state and local law, the District may make use of the labor and employment practices set forth in 2 CFR § 200.318(l) in connection with procurement transactions under a federal award.

3.5. <u>Federal Contractor Requirements</u>.

3.5.1 *Responsible Contractors.* Contracts subject to Federal Procurement Requirements will only be awarded to responsible contractors that possess the ability to perform successfully under the terms and conditions of a proposed contract. When conducting a procurement transaction, the District will consider contractor integrity, public policy compliance, proper classification of employees under the Fair Labor Standards Act (29 U.S.C. § 201, Chapter 8), past performance record, and financial and technical resources. (See CFR § 200.318(h).) A contractor must also be "responsible" as determined under California law, including Public Contract Code § 1103.

3.5.2 *Small and Minority Businesses*. When possible, the District should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms are considered for procurement transactions. (2 CFR § 200.321.) Consideration means:

(1) These business types are included on solicitation lists;

(2) These business types are solicited whenever they are deemed eligible as potential sources;

(3) Dividing procurement transactions into separate procurements to permit maximum participation by these business types;

(4) Establishing delivery schedules that encourage participation by these business types;

(5) Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring a vendor under a federal award to apply these considerations to subcontracts.

3.6. Procurement Methods. Depending on the type and amount of property or services, the District will use one of the below methods for federally-funded procurements, consistent with 2 CFR § 200.320. Check 2 CFR § 200.320 for the **currently applicable** procurement requirements. (See District's Procurement and Subaward Policy and Construction Bidding Policy for additional requirements.)

3.6.1 *Informal Procurement Methods for Small Purchases.* Under 2 CFR § 200.320(a), informal procurement methods may be used when the value of the procurement does not exceed the Simplified Acquisition Threshold. Informal procurement methods expedite the completion of transactions, minimize administrative burdens, and reduce costs. Informal procurement methods include:

(1) Micro-Purchases. The District may use a micro-purchase if the aggregate amount of the procurement transaction does not exceed the Micro-Purchase Threshold. A micro-purchase may be awarded without soliciting competitive price or rate quotations if the District considers the price reasonable based on research, experience, purchase history, or other information, and the District maintains documents to support its conclusion,

and provided such is consistent with the District's standard procurement and purchasing procedures, as set forth in its Procurement and Subaward Policy and Construction Bidding Policy, as applicable. Purchase cards may be used as a method of payment for micro-purchases. To the extent practicable, the District will distribute micro-purchases equitably among qualified vendors. (See 2 CFR § 200.320(a)(1).)

(2) Simplified Acquisitions. The District may use simplified acquisition procedures if the aggregate amount of the procurement transaction is higher than the Micro-Purchase Threshold but does not exceed the Simplified Acquisition Threshold. If simplified acquisition procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Unless specified by the federal agency, the District may exercise judgment in determining what number is adequate. (See 2 CFR § 200.320(a)(2).)

3.6.2 *Formal Procurement Methods*. Under 2 CFR § 200.320(b), formal procurement methods are required when the value of the procurement transaction under a federal award exceeds the Simplified Acquisition Threshold. Formal procurement methods are competitive and require public notice. The following formal procurement methods are used for procurement transactions above the Simplified Acquisition Threshold:

(1) Sealed Bids. This is a procurement method in which bids are publicly solicited through an invitation and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid conforms with all the material terms and conditions of the invitation and is the lowest in price. The sealed bids procurement method is preferred for procuring construction services. If the District uses this method, it must comply with the requirements of 2 CFR § 200.320(b)(1), in addition to any other local or state requirements.

(2) Proposals. This is a procurement method used when conditions are not appropriate for using sealed bids. This procurement method may result in either a fixed price or cost-reimbursement contract. If the District uses this method, it must comply with the requirements of 2 CFR § 200.320(b)(2), in addition to any other applicable local or state requirements.

3.6.3 *Noncompetitive Procurement Method*. Under 2 CFR § 200.320(c), the District may use a noncompetitive procurement method if one of the following circumstances applies: (1) The aggregate amount of the procurement transaction does not exceed the Micro-Purchase Threshold; (2) The procurement transaction can only be fulfilled by a single source; (3) The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation; (4) The District requests in writing to use a noncompetitive procurement method, and the federal agency or pass-through entity provides written approval; or (5) After soliciting several sources, competition is determined to be inadequate. The procurement must comply with the requirements set forth in 2 CFR § 200.320(c).

APPENDIX A

SAMPLE FEDERAL CONTRACT PROVISIONS

Note: For contracts subject to federal funding, in whole or in part, the following provisions should be copied and pasted into the contract or contract documents. See special instructions in highlighted angle brackets <...> *and delete instructions from the final version. Revise the provisions as needed for consistent terminology with the contract or contract documents, including replacing "Contractor" with "Consultant" or "Vendor," as applicable. Consult the representative for the funding agency and/or General Counsel regarding applicability and use of these contract provisions, as well as to determine whether any additional federal agency- or federal program- specific contract provisions should be included in the contract or contract documents.*

Federally Funded Projects. This Project is funded in whole or in part by federal funds and subject to the following federal requirements under the terms of the funding agreement(s) between District and the federal agency or agencies providing federal funds. Copies of any funding agreement between District and a funding agency will be made available upon request.

1. Equal Opportunity. If this is a public works contract, during the performance of this Contract, the Contractor agrees as follows:

(A) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action will include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(B) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(C) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision will not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

(D) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the labor union or workers' representatives of the Contractor's commitments under this section, and will post copies of the notice in conspicuous places available to employees and applicants for employment.

(E) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the United States Secretary of Labor.

(F) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the United States Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the United States Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(G) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the United States Secretary of Labor, or as otherwise provided by law.

(H) The Contractor will include the portion of the sentence immediately preceding paragraph (A) and the provisions of paragraphs (A) through (H) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the United States Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the District or funding agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided,* however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the District or funding agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

2. **Davis-Bacon Act.** If this is a public works contract, Contractor must comply with the

Davis-Bacon Act (40 U.S.C. § 3141 et seq.) and the requirements of 29 CFR Part 5 as may be applicable, including the provisions in 29 CFR § 5.5(a), which are attached hereto and incorporated herein by reference. Contractor will pay wages to laborers and mechanics, not less than once a week, and at a rate not less than the current federal prevailing wages specified in the Davis-Bacon Act Wage Determination attached hereto and incorporated herein. By entering into this Contract, Contractor accepts the attached Wage Determination. Contractor and Subcontractors must insert the requirements in 29 CFR § 5.5(a) in full into subcontracts of any tier. *<The current Davis-Bacon Act Wage Determination, which may be accessed at https://sam.gov/content/wage-determinations must be printed and included with the Contract Documents. Additionally, the current provisions at 29 CFR § 5.5(a), which may be accessed at https://www.ecfr.gov/current/title-29/subtitle-A/part-5/subpart-A/section-5.5, should be printed and included with the Contract Documents. Refer to the applicable Notice of Funding Opportunity or other program guidance and/or contact the federal funding agency representative for additional information on how to implement this requirement and any other required contract provisions for compliance with the Davis-Bacon Act and related acts and incorporate the federal agency-specific requirements, as appropriate.>*

3. **Copeland "Anti-Kickback" Act.** If this is a public works contract, Contractor will comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 CFR Part 3 as may be applicable, which are incorporated by reference into this Contract. Contractor and subcontractors must insert this requirement into subcontracts of any tier. Contractor is responsible for compliance with these requirements by each subcontractor of any tier.

4. **Contract Work Hours and Safety Standards Act.** In addition to the California state law requirements, Contractor and each subcontractor must comply with the requirements of the federal Contract Work Hours and Safety Standards Act ("CWHSSA"), as set forth in 40 U.S.C. §§ 3701-3708, as supplemented by the regulations set forth in 29 CFR Part 5, including 29 CFR § 5.5(b), as may be amended from time to time, which are fully incorporated herein, including:

> (A) ***Overtime Requirements.*** No Contractor or subcontractor contracting for any part of the Work which may require or involve the employment of laborers or mechanics will require or permit any such laborer or mechanic in any workweek in which he or she is employed on such Work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
>
> (B) ***Violation; Liability for Unpaid Wages; Liquidated Damages.*** In the event of any violation of the clause set forth in (A), above, the Contractor and any subcontractor responsible therefor will be liable for the unpaid wages and interest from the date of the underpayment. In addition, such Contractor and subcontractor will be liable to the United States for liquidated damages. The liquidated damages will be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in (A) of this Section, in the sum of $32 (or as otherwise set forth in 29 CFR § 5.5(b)) for each calendar day on which such individual was required or permitted to work in

excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in (A) of this Section.

(C) ***Withholding for Unpaid Wages and Liquidated Damages.***

(1) *Withhold Process*. The District may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the Contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the Contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in this Section, any other Federal contract with the same Contractor, or any other federally assisted contract subject to the CWHSSA that is held by the same Contractor (as defined in 29 CFR § 5.2). The necessary funds may be withheld from the Contractor under this Contract, any other Federal contract with the same Contractor, or any other federally assisted contract that is subject to the CWHSSA and is held by the same Contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.

(2) *Priority to Withheld Funds.* The Department of Labor has priority to funds withheld or to be withheld in accordance with 29 CFR § 5.5(a)(2)(i) or 29 CFR § 5.5(b)(3)(i), or both, over claims to those funds by: (a) a contractor's sureties, including without limitation performance bond sureties and payment bond sureties; (b) a contracting agency for its re-procurement costs; (c) a trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate; (d) a contractor's assignee(s); (e) a contractor's successor(s); or (f) a claim asserted under the Prompt Payment Act (31 U.S.C. §§ 3901–3907).

(D) ***Subcontracts.*** Contractor and subcontractors must insert in any subcontracts the clauses set forth in this Section and a clause requiring subcontractors to include these clauses in any lower tier subcontracts. Contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in this Section. In the event of any violations of these clauses, the Contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

(E) ***Anti-Retaliation.*** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

(1) Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the CWHSSA or its implementing regulations in 29 CFR Part 5;

(2) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or 29 CFR Part 5;

(3) Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or 29 CFR Part 5; or

(4) Informing any other person about their rights under CWHSSA or 29 CFR Part 5.

(F) ***CWHSSA Required Records.*** To the extent that the Contract is subject only to the CWHSSA and not to any of the other laws referenced in 29 CFR § 5.1, Contractor and its subcontractors must maintain regular payrolls and other basic records during the course of the Work and must preserve them for a period of three years after all the Work on the Contract is completed for all laborers and mechanics, including guards and watchpersons, working on the Contract. Such records must contain the name; last known address, telephone number, and email address; and social security number of each such worker; each worker's correct classification(s) of Work actually performed; hourly rates of wages paid; daily and weekly number of hours actually worked; deductions made; and actual wages paid. The records must be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the District and the Department of Labor, and the Contractor or subcontractor will permit such representatives to interview workers during working hours on the job.

5. Rights to Inventions. If the federal funding for this Contract meets the definition of "funding agreement" under 37 CFR § 401.2(a) and constitutes an agreement between the District and a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency, will apply to this Contract and are fully incorporated into the Contract Documents by this reference.

6. Clean Air Act. If the Contract is for an amount in excess of $150,000, Contractor and each Subcontractor must comply with the requirements of the Clean Air Act, as amended (42 U.S.C. §§ 7401-7671q), and all applicable standards, orders, and regulations issued pursuant thereto, which are fully incorporated into the Contract Documents by this reference, including requirements for reporting violations to the District, federal awarding agency, and the applicable Regional Office for the Environmental Protection Agency. Contractor and subcontractors must insert this requirement into subcontracts of any tier in excess of $150,000.

7. Federal Water Pollution Control Act. If the Contract is for an amount in excess of $150,000, Contractor and each subcontractor must comply with the requirements of the Federal Water Pollution Control Act (33 U.S.C. §§ 1251-1387), and all applicable standards, orders, and regulations issued pursuant thereto, which are fully incorporated into the Contract Documents by this reference, including requirements for reporting violations to the District, federal awarding agency, and the applicable Regional Office for the Environmental Protection Agency. Contractor and subcontractors must insert this requirement into subcontracts of any tier in excess of $150,000.

8. Suspension and Debarment. This Contract is a covered transaction for purposes of 2 CFR Part 180 and 2 CFR Part 3000. Contractor is required to verify that none of its principals, as defined at 2 CFR § 180.995, or its affiliates, as defined at 2 CFR § 180.905, are excluded or disqualified, as defined at 2 CFR §§ 180.935 and 180.940. Contractor must comply with 2 CFR Part 180, subpart C and 2 CFR Part 3000, subpart C, and must include a provision requiring compliance with these regulations in any subcontract of any tier. If it is later determined that the Contractor did not comply with the applicable subparts, in addition to the remedies available to District, the federal government may pursue available remedies, including, but not limited to, suspension and/or debarment. By submitting a bid and entering into this Contract, Contractor agrees to comply with these requirements.

9. Byrd Anti-Lobbying Amendment. If the Contract is for an amount in excess of $100,000, Contractor must comply with the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352) and file the certification provided at 44 CFR Part 18, Appendix A, and any disclosures, with the District. Each tier certifies to the tier above that it will not and has not used federal-appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier will also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures will be forwarded from tier to tier up to the recipient who in turn will forward the disclosure(s) to the federal awarding agency.

10. Procurement of Recovered Materials. The requirements of § 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 at 42 U.S.C. § 6962, apply to this Contract and are fully incorporated into the Contract Documents by this reference. For individual purchases of $10,000 or more, Contractor will make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired (A) competitively within the Contract schedule, (B) in conformance with Contract performance requirements, or (C) at a reasonable price. Information on this requirement, including a list of EPA-designated items, is available at the EPA's Comprehensive Procurement Guidelines website: https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.

11. Prohibition on Covered Telecommunications. Federal loan or grant funds must not be obligated or expended to procure or obtain covered telecommunications equipment or services, extend or renew a contract to procure or obtain covered telecommunications equipment or services, or enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services, as further specified in 2 CFR § 200.216, which is fully incorporated into the Contract Documents by this reference. "Covered telecommunications equipment or services" means any of the following: telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities); telecommunications or video surveillance services provided by such entities or using such equipment; or telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country. The term "covered telecommunications equipment or services" also includes systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Contractor will include this provision in all subcontracts or purchase orders in connection with the Work.

12. Domestic Preferences for Procurements. The District should, to the greatest extent practicable and consistent with the law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, as further specified in 2 CFR § 200.322, which is fully incorporated into the Contract Documents by this reference, including, but not limited to, iron, aluminum, steel, cement, and other manufactured products, as specified therein. The requirements of 2 CFR § 200.322 must be included in all subcontracts and purchase orders for work or products under the federal award. *<Consult the federal funding agency representative for additional requirements pertaining to domestic preferences under the Build America, Buy America Act, if applicable, and incorporate the federal agency-specific requirements, as appropriate.>*

13. Small and Minority Businesses. The Contractor will consider small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms for subcontracts, as set forth in 2 CFR § 200.321, when possible and subject to the limitations of law. Consideration means:

(A) These business types are included on solicitation lists;

(B) These business types are solicited whenever they are deemed eligible as potential sources;

(C) Dividing procurement transactions into separate procurements to permit maximum participation by these business types;

(D) Establishing delivery schedules that encourage participation by these business types;

(E) Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(F) Requiring subcontractors to apply this section to lower-tier subcontracts, if any.

<The above provision on Small and Minority Businesses should also be added to the request for proposals or bid documents, as applicable.>

Humboldt County Resource Conservation District

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Environmentally Preferable Purchasing and Practices (EPPP) Policy

Approved by the Board of Directors on DATE

1. Purpose. This policy supports the preference of environmentally friendly products whose quality, function, and cost are equal or superior to more traditional products. This policy is consistent with the requirements of AB 939, requiring a 50% reduction of material going to landfills, and federal procurement standards set forth in 2 CFR §§ 200.322-200.323, which prioritize materials produced in the United States and purchasing of items with the highest percentage of recovered materials practicable and that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This policy aims, to the extent practical, to:
   - conserve natural resources
   - minimize pollution
   - reduce the use of water and energy
   - eliminate or reduce environmental health hazards to workers and our community
   - support strong recycling markets
   - reduce the quantity of materials that are landfilled
   - increase the use and availability of environmentally preferable products
   - support locally and United States produced goods and services
   - educate the District, its vendors, and the public

2. Definitions.
   a. Recycling. The process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise become solid waste, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.
   b. Waste Prevention. Any action undertaken by an individual or organization to eliminate or reduce the amount or toxicity of materials before they enter the municipal solid waste stream. This action is intended to conserve resources, promote efficiency, and reduce pollution.
   c. Environmentally Preferable Products. Products that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation and/or disposal of the product.

d. Recycled Products. Products manufactured with waste material that has been recovered or diverted from the waste stream. Recycled material may be derived from post-consumer waste (material that has served its intended end-use and been discarded by a final consumer), industrial scrap, manufacturing waste and/or other waste that otherwise would not have been utilized.
e. Practical. Sufficient in performance and reasonably available at a reasonably competitive cost.

3. Policies.
   a. District personnel will endeavor to purchase recycled and environmentally preferable products whenever practical.
   b. The District shall solicit the use of recycled and other environmentally preferable products in its procurement documents, whenever practical and as appropriate.
   c. The District's programs shall practice waste prevention whenever practical.

4. Best Practices.
   a. Procurement Practices.
      i. District personnel shall, at a minimum, evaluate the following environmentally preferable product categories and shall purchase them whenever practical:
         1. All printers and copiers purchased for routine office tasks should include duplex capability. The duplex feature should be enabled as the default when installed and remain enabled.
         2. Printing and Writing Papers, including all imprinted letterhead paper, envelopes, copy paper and business cards. When practical, these shall contain a minimum of 30% post-consumer recycled content.
         3. Paper Products, including janitorial supplies, shop towels, hand towels, facial tissue, toilet paper, seat covers, corrugated boxes, file boxes, hanging file folders and other products comprised largely of paper.
         4. Remanufactured laser printer toner cartridges and remanufactured or refillable ink-jet cartridges.
         5. Furniture purchases should meet ergonomic standards and contain a high recycled content.
         6. Furniture no longer required shall be evaluated to determine whether it has any further value and can be offered to other offices and programs or can be disposed of as surplus property.
         7. Purchases of supplies and equipment that require energy use should be ENERGY STAR© rated products when available.

8. Re-refined antifreeze, including on-site antifreeze recycling.
9. Re-refined lubricating and hydraulic oils.
10. Recycled plastic outdoor-wood substitutes, including plastic lumber, benches, fencing, signs and posts.
11. Recycled content construction, building and maintenance products, including plastic lumber, carpet, tiles and insulation.
12. Re-treaded tires and products made from recycled tire rubber including rubberized asphalt, playground surfaces and fatigue mats.
13. Compost, mulch, and other organics including recycled biosolid products.
14. Re-manufactured paint.
15. Other products that may be designated by the State Department of General Services.

5. <u>Waste Prevention Practices.</u>
    a. District personnel are encouraged to reduce their consumption of resources by incorporating the following practices into their daily activities:
        i. Consider durability and repairability of products prior to purchase.
        ii. Conduct routine maintenance on products/equipment to increase the useful life.
        iii. Use duplex features on laser printers and copiers. Specify duplex on print jobs.
        iv. Create electronic letterhead.
        v. Send and store information electronically when possible. This includes e-mail, website and electronic fax.
        vi. Review record retention policies and implement document imaging systems.
        vii. Other waste prevention practices that further the goals of this policy.

6. <u>Exemption.</u> Nothing in this policy shall be construed as requiring the purchase of products that do not perform adequately and/or are not reasonably available to the District at a reasonable cost.

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Capital Asset Policy

Approved by the Board of Directors on and DATE

1. Purpose. The Capital Asset Policy of the Humboldt County Resource Conservation District ("District") establishes guidance in identifying, capitalizing, depreciating, and accounting for capital assets of the District.

2. Policy. The District defines capital assets under this policy as tangible assets owned by the District, with a value of $5,000 or greater and a useful life of more than one year. If an asset does not meet the capitalization requirements set forth in 3. Capitalization, it is to be expensed in the year acquired. Repair and Maintenance costs are defined as expenditures and maintain an asset and keep it in good order. All Repair and Maintenance costs are expensed in the period incurred.

3. Capitalization and Valuation. The District uses the following capital asset classifications and capitalization criteria:
    a. Land - includes all costs associated with the acquisition of land as well as costs incurred in preparing the land for its intended purpose. These costs include, but are not limited to, purchase and closing costs.
    b. Land Improvements - includes but is not limited to, landscaping, parking lots and parking structures.
    c. Buildings - includes all costs associated with the purchase or construction of a new building.
    d. Building Improvements - includes costs that improve the useful life of the building, substantially change the useful life of the original space, or expand the total space of the building. Repairs, which are distinguished from improvements, are rarely capitalized because they usually do not extend the useful life of the asset and are classified as operational.
    e. Furniture and Equipment - includes but is not limited to, furniture, and computers. The total capitalized includes all costs associated with the purchase, delivery, transportation, and insurance while in transit, installation, and similar costs.
    f. Information Technology Infrastructure - includes software and hardware such as servers, computers, printers, phone systems, etc.
    g. Vehicles - includes costs associated with the purchase and delivery.

    Donated Assets are capitalized at acquisition value at the time of the donation. Acquisition value is the cost which the District would incur to acquire the asset at the time of the donation. If the acquisition value is not available or cannot be reasonably determined, an estimated cost may be applied using the best available information.

    Capital improvement projects are capitalized as Construction-in-Progress (GIP) until completed. Costs include labor, materials, transportation, engineering, and construction management.

4. Depreciation. Depreciation is computed monthly using the straight-line method over the estimated useful lives of the capital assets. Items purchases shall be depreciated for the full month of the month of purchase. Constructed assets shall be depreciated beginning in the first month the asset is put into use. Estimated useful lives for the asset classifications are as follows:
    a. Land – not depreciated.
    b. Land Improvements – 20 years
    c. Buildings – 50 years
    d. Building Improvements – 20 years
    e. Donated Assets - capitalized at acquisition value at the time of the donation. Acquisition value is the cost which the District would incur to acquire the asset at the time of the donation. If the acquisition value is not available or cannot be reasonably determined, an estimated cost may be applied using the best available information.
    f. Furniture and Equipment – 5 years
    g. Information Technology Infrastructure – 7 years
    h. Vehicles – 5 years

5. Disposal of Capital Assets. The District may determine that a capital asset is no longer of use in daily or future operations and/or the cost of achieving usefulness is greater than the benefit. The Executive Director shall make a recommendation to the Board for approval to discard or sell at a public auction for the benefit of the District. The Executive Director has discretion to dispose of other non-capitalized items without Board approval.

6. Reporting. Capital Assets shall be reported in accordance with GASB 34 in the annual audited financial statements.

7. Policy Review. The Capital Asset Policy shall be reviewed at least every five years. Any modifications shall be presented to and approved by the Board.