

# TWAIN HARTE COMMUNITY SERVICES DISTRICT

## Finance/Policy Committee Meeting

**Chair:** *Gary Sipperley*

**Co-Chair:** *Eileen Mannix*

THCSD CONFERENCE ROOM  
22912 VANTAGE POINTE DR., TWAIN HARTE  
November 6, 2024 1:30 p.m.

### **NOTICE: Public May Attend this Meeting In-Person.**

The meeting will be accessible via ZOOM for anyone that chooses to participate virtually:

- Videoconference Link: <https://us02web.zoom.us/j/82116025595>
- Meeting ID: 821 1602 5595
- Telephone: (669) 900-6833

### **AGENDA**

1. Annual review of Policy #1015 – Identity Theft Prevention Program.
2. Annual review of Policy #2082 – Internet, Email and Social Media Use.
3. Discuss Assembly Bill 2192 and related impacts to District Ordinance #26-01 (Uniform Public Construction Cost Accounting Act) and Policy #3040 (Purchasing and Expense Authorization).
4. Discuss Administrative Division operations.
5. Adjourn.

---

### **HOW TO VIRTUALLY PARTICIPATE IN THIS THIS MEETING**

The public can virtually observe and participate in a meeting as follows:

- **Computer:** Join the videoconference by clicking the videoconference link located at the top of this agenda or on our website. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.
- **Smart Phone/Tablet:** Join the videoconference by clicking the videoconference link located at the top of this agenda OR log in through the Zoom mobile app and enter the Meeting ID# and Password found at the top of this agenda. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.

- **Telephone:** Listen to the meeting by calling Zoom at (4669) 900-6833. Enter the Meeting ID# listed at the top of this agenda, followed by the pound (#) key.

\* NOTE: your personal video will be disabled and your microphone will be automatically muted.

### **SUBMITTING PUBLIC COMMENT**

The public will have an opportunity to comment before and during the meeting as follows:

- **Before the Meeting:**
  - Email comments to [ksilva@twainhartecsd.com](mailto:ksilva@twainhartecsd.com), 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.
  - Mail comments to THCSD Board Secretary: P.O. Box 649, Twain Harte, CA 95383
- **During the Meeting:**
  - Computer/Tablet/Smartphone: Click the "Raise Hand" icon and the host will unmute your audio when it is time to receive public comment. If you would rather make a comment in writing, you may click on the "Q&A" icon and type your comment. You may need to tap your screen or click on "View Participants" to make icons visible.

Raise Hand Icon:

Q&A Icon:

- Telephone: Press \*9 if to notify the host that you have a comment. The host will unmute you during the public comment period and invite you to share comments.
- In-Person: Raise your hand and the Board Chairperson will call on you.

\* NOTE: If you wish to speak on an item on the agenda, you are welcome to do so during consideration of the agenda item itself. If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period. Persons speaking during the Public Comment will be limited to five minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board. Except as otherwise provided by law, no action or discussion shall be taken/conducted on any item not appearing on the agenda. Public comments must be addressed to the board as a whole through the President. Comments to individuals or staff are not permitted.

### **MEETING ETIQUETTE**

Attendees shall make every effort not to disrupt the meeting. Cell phones must be silenced or set in a mode that will not disturb District business during the meeting.

### **ACCESSIBILITY**

Board meetings are accessible to people with disabilities. In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the District office 48 hours prior to the meeting at (209) 586-3172.

### **WRITTEN MEETING MATERIALS**

If written materials relating to items on this Agenda are distributed to Board members prior to the meeting, such materials will be made available for public inspection on the District's website:

[www.twainhartecsd.com](http://www.twainhartecsd.com)

# **TWAIN HARTE COMMUNITY SERVICES DISTRICT**

## **Policy and Procedure Manual**

**POLICY TITLE:** Identity Theft Prevention Program  
**POLICY NUMBER:** 1015  
**ADOPTED:** June 11, 2009  
**LAST REVIEWED:** 11/8/2023  
**LAST AMENDED:** November 9, 2022

### **1015.10 PURPOSE**

This program is intended to identify red flags that will alert District employees when new or existing accounts are opened using false information, protect against the establishment of false accounts, and provide measures to respond to such events.

### **1015.20 RISK ASSESSMENT**

This policy is based on an internal risk assessment conducted by the District to evaluate how at risk the current procedures are at allowing customers to create a fraudulent account and evaluate if current (existing) accounts are being manipulated. This risk assessment evaluated how new accounts were opened and the methods used to access the account information. Using this information, the District identified red flags that were appropriate to prevent identity theft for the following types of activities:

- ❑ New accounts opened in person for new construction
- ❑ New accounts opened via mail (copy of Grant Deed required)
- ❑ Account information accessed in person
- ❑ Account information accessed via telephone (person)

### **1015.30 DETECTION (RED FLAGS)**

At a minimum, the following red flags will be used to detect potential fraud. These are not intended to be all-inclusive and other suspicious activity may be investigated as necessary.

- ❑ Identification documents appear to be altered.
- ❑ Photo and physical description do not match appearance of applicant.
- ❑ Other information is inconsistent with information provided by applicant.
- ❑ Other information provided by applicant is inconsistent with information on file.
- ❑ Application appears altered or destroyed and reassembled.

- ❑ Personal information provided by applicant does not match other sources of information (e.g. credit reports, SS# not issued or listed as deceased).
- ❑ Information provided is associated with known fraudulent activity (e.g. address or phone number provided is same as that of a fraudulent application).
- ❑ Information commonly associated with fraudulent activity is provided by applicant (e.g. address that is a mail drop or prison, non-working phone number or associated with answering service/pager).
- ❑ SS#, address, or telephone # is the same as that of another customer.
- ❑ Customer fails to provide all information requested.
- ❑ Personal information provided is inconsistent with information on file for a customer.
- ❑ Applicant cannot provide information requested beyond what could commonly be found in a purse or wallet.
- ❑ Identity theft is reported or discovered.

#### **1015.40 RESPONSE TO POTENTIAL FRAUD**

Any employee that may suspect fraud or detect a red flag will implement the following response as applicable. All detections or suspicious red flags shall be reported to senior management.

1. Ask applicant for additional documentation
2. Notify internal manager: Any District employee who becomes aware of a suspected or actual fraudulent use of a customer or potential customers' identity must notify Finance Officer or General Manager.
3. Notify law enforcement: The District will notify Sheriff's Department at Sonora, CA of any attempted or actual identity theft.
4. Do not open the account.
5. Close the account.
6. Do not attempt to collect against the account but notify authorities.

#### **1015.50 PERSONAL INFORMATION SECURITY PROCEDURES**

The District shall implement the following security procedures:

1. Paper documents, files and electronic media containing secure information will be stored in locked file cabinets.
2. Only specially identified employees with a legitimate need will have keys to the office and cabinets.
3. Files containing personally identifiable information are kept in locked file cabinets except when an employee is working on the file.
4. Employees will not leave sensitive papers out on their desks when they are away from their workstations.

5. Employees store files when leaving their work areas.
6. Employees lock file cabinets when leaving their work areas.
7. Visitors who must enter areas where sensitive files are kept must be escorted by a District employee.
8. No visitor will be given any entry codes or allowed unescorted access to the office.
9. Access to sensitive information will be controlled using "strong" passwords. Employees will choose passwords with a mix of letters, numbers, and characters.
10. Passwords will not be shared or posted near workstations.
11. When installing new software, immediately change vendor-supplied default passwords to a more secure strong password.
12. Sensitive information that is sent to third parties over public networks will be encrypted.
13. Anti-virus and anti-spyware programs will be run on individual computers and on servers daily.
14. When sensitive data is received or transmitted, secure connections will be used.
15. Computer passwords will be required.
16. Usernames and passwords will be different.
17. The computer network will have a firewall where your network connects to the Internet.
18. Check references or do background checks before hiring employees who will have access to sensitive data.
19. New employees sign an agreement to follow the District's confidentiality and security standards for handling sensitive data.
20. Access to customer's personal identity information is limited to employees with a "need to know."
21. Procedures exist for making sure that workers who leave your employ or transfer to another part of the company no longer have access to sensitive information.
22. Implement a regular schedule of employee training.
23. Employees will be alert to attempts at phone phishing.
24. Employees are required to notify the General Manager immediately if there is a potential security breach.
25. Employees who violate security policy are subjected to discipline up to, and including, dismissal.

26. Service providers notify you of any security incidents they experience, even if the incidents may not have led to an actual compromise of our data.
27. Paper records will be shredded before being placed into the trash.
28. Paper shredders will be available in the office.
29. Any data storage media will be disposed of by shredding, punching holes in, or incineration.

#### **1015.60 IDENTITY THEFT PREVENTION PROGRAM REVIEW AND APPROVAL**

Annually, at each November board meeting, the General Manager will prepare and submit a report to the governing body that includes matters related to the program, the effectiveness of the policies and procedures, the oversight and effectiveness of any third party billing and account establishment entities, a summary of any identify theft incidents and the response to the incident and recommendations for substantial changes to the program, if any.

Appropriate employees will be trained on the contents and procedures of this policy.



## Twain Harte Community Services District MEMORANDUM

**DATE:** November 1, 2024

**TO:** Board of Directors

**FROM:** Tom Trott, General Manager

**SUBJECT: Annual Report – Identity Theft Prevention Program (Policy #1015)**

Twain Harte Community Services District staff successfully implemented the Identity Theft Prevention Program (Policy #1015) over the last year of business. The following report summarizes Policy activities over the past year.

### **Actions:**

- **Detection.** Employees looked for red flags identified in the Policy when opening new accounts, receiving requests to access account information, and in daily business activities with other staff, vendors and customers.
- **Response.** When red flags were detected, employees responded according to the Policy by asking for additional information. This prevented fraud in all cases related to customer or vendor interactions. It also helped identify fraudulent emails from cyber thieves who attempted to coerce District staff to provide unauthorized information or access. The fraud was quickly identified and District staff prevented the cyber theft.
- **Personal Information Security Procedures.** All procedures were followed.
- **Training.** Appropriate staff reviewed Policy 1015 and were trained on its contents and procedures to prevent fraud. Additionally, all staff received cyber security training provided by the District's information technology (IT) consultant.

### **Incidents:**

**ZERO** incidents occurred in the last year related to District staff, customers and vendors.

### **Recommendations:**

The guidelines of this policy proved effective in preventing fraud; therefore, no substantive Policy changes are recommended.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT**  
**Policy and Procedure Manual**

**POLICY TITLE:** Internet, Email and Social Media Use  
**POLICY NUMBER:** 2082  
**ADOPTED:** May 14, 2009  
**AMENDED:** 3/8/2012, 1/10/2013, 9/8/2016, 11/12/2020  
**LAST REVIEWED:** 11/8/2023  
**LAST AMENDED:** November 9, 2022

**2082.10 PURPOSE**

The District believes that employee access to and use of internet, email, social media and other electronic communications resources benefits the District. This policy is established to ensure that all District employees use internet, email and social media resources in an ethical, legal and appropriate manner. This policy defines acceptable and unacceptable use of internet, email and social media resources. It also establishes actions the District may take for inappropriate use of such resources, since misuse has the potential to harm the District's reputation and success.

**2082.20 ACKNOWLEDGEMENT AND REVIEW**

**2082.21 Acknowledgment.** All employees must read and adhere to the guidelines and requirements established herein. Employees shall verify that they have read the policy by signing a form that will be placed in their personnel file.

**2082.22 Review.** The District Board shall review this policy annually. At the same time as the Board's review or any time after the Board revises this policy, all District employees shall re-read the policy and acknowledge their review in writing.

**2082.30 DEFINITIONS**

**2082.31 Email.** All forms of electronic information sent over the internet, including but not limited to electronic mail and instant chat messages.

**2082.32 Post.** Content an individual shares on a social media site or the act of publishing content on a site.

**2082.33 Profile.** Information that a user provides about himself or herself on a social networking site.

**2082.34 Social Media.** A category of internet-based resources that enable the user to generate content and encourage other user participation. This includes, but is not



limited to, social networking sites: Facebook, Instagram, Twitter, YouTube and other sites. (There are thousands of these types of sites and this is only a short list.)

**2082.35 Social Networks.** Platforms where users can create profiles and share information with others using a range of technologies.

**2082.36 Speech.** Expression or communication of thoughts or opinions in spoken words, in writing, by expressive conduct, symbolism, photographs, videotape, or related forms of communication.

#### **2082.40 NO RIGHT TO PRIVACY**

**2082.41** Employees do not have any right to privacy in District internet, email and social media use. This includes, but is not limited to internet sites visited, downloads and email messages produced, sent or received through the District's email system or the District's servers and network.

**2082.42** The District maintains administrative controls to email and internet and may reset passwords to access accounts at any time. Employees must disclose passwords to systems, software and sites not directly controlled by the District.

**2082.43** Employees access to and use of the internet, email and other electronic communications (including all associated content) will be monitored frequently to promote the administration of the District, its business and policies.

**2082.44** The District retains backup copies of all documents, including email messages produced, sent, received, and deleted through the District's email system, in accordance with the District's Records Retention Policy.

**2082.45** It is advisable for all employees of the District to remind customers/clients/contractors that email and/or documents sent to the District are not confidential.

#### **2082.50 APPROPRIATE USE GUIDELINES**

District employees and Board members shall adhere to the following guidelines of appropriate use of District internet, email and social media resources:

1. Correspondence with customers (and others) through the District's email system may be considered part of the District's public records and should be treated as such.
2. When employees communicate using email or other features of the internet, the employee must be extremely mindful of the image being portrayed of the District.
3. Email and any attachments are subject to the same ethical and legal concerns and standards of good conduct as memos, letters and other paper-based documents. Employees shall not transmit information in an email that should not be written in a letter, memorandum or document available to the public.

4. Be aware of the content placed within an email. Email, once transmitted, can be printed, forwarded and disclosed by the receiving party without the consent of the sender.
5. Employees shall take all necessary steps to prevent unauthorized disclosure of confidential or privileged information.
6. Employees are to be continually aware of phishing scams and other methods hackers use to compromise security and shall consider such scams before downloading or opening files and other items on their computers to prevent the introduction of computer viruses.
7. Emails that employees need to retrieve from their personal internet accounts must be retrieved via that user's personal internet account.
8. Employees will only access the internet using the approved internet browser. Any other browser being used on a workstation will be promptly removed.
9. Employees will only download information and/or publications for official business purposes.
10. Employees will respect all copyright and license agreements regarding software or publication that they access or download from the internet. The District will not condone violations of copyright laws and licenses and the employee will be personally liable for any fines or sanctions caused by the license or copyright infringement. Any software or publication, which is downloaded onto District computer resources, becomes the sole property of the District.

#### **2082.60 INAPPROPRIATE USE RESTRICTIONS**

District employees and Board members shall not engage in any of the following restrictions related to use of District internet, email and social media resources:

1. Accessing internet sites that contain pornography, exploit children or that would generally be regarded in the community as offensive, or for which there is no official business purpose to access.
2. Participating in any profane, defamatory, harassing, illegal, discriminatory or offensive activity or any activity that is inconsistent in any way with the District's policies (i.e. Policy #2002 Discrimination, Policy #2170 Sexual Harassment, Policy #2215 Harassment).
3. Using speech containing obscene or sexually explicit language, images, or acts and statements or other forms of speech that ridicule, malign, disparage, or otherwise express bias against any protected class of individuals.
4. Using speech involving themselves or other District personnel reflecting behavior that would reasonably be considered reckless or irresponsible.
5. Transmitting offensive messages of any kind.

6. Posting, downloading or viewing inappropriate pictures or images.
7. Using email or the internet to distribute copyrighted materials.
8. Using email, internet or social media for inappropriate or unauthorized advertising and promotion of the District or others.
9. Using email, internet or social media for personal commercial activity.
10. Using another employee's username/account without express permission of the user or systems administrator.
11. Receiving and/or downloading executable files and programs without express permission of the systems administrator. This includes, but is not limited to, software programs and software upgrades. This does not include email and/or documents received via email and the internet. All downloaded files must be scanned for viruses.
12. Exploiting security weaknesses of the District's computer systems and network and/or other networks or computers outside the District.
13. Using internet, email and/or social media in a manner that interferes with the timely and efficient performance of job duties. Access to these resources is not a benefit of employment with the District.

## **2082.70 PERSONAL USE OF SOCIAL MEDIA**

**2082.71 Purpose and Philosophy.** Social media provides a valuable means of assisting the District and its personnel in gathering community information and other related organizational and community objectives. This section identifies possible uses of social media that may be deemed necessary by Board members and administrative/supervisory personnel.

**2082.72 Employee and Board Responsibility.** The proper functioning of any public agency relies upon the public's confidence and trust in the individuals and the agency to provide effective service and protection. Any matter, which brings the integrity of District personnel or Board members into question has the corresponding effect of reducing public confidence and trust, impeding the ability to work and serve the public. While employees and Board members have the right to use personal/social networking web pages or sites, as members of the District, they are encouraged to remember their position of public responsibility, trust, and transparency when using personal social media. Employees and Board members shall maintain a level of professionalism in both on and off-duty conduct. Employees and Board members shall not engage in conduct that contradicts or impedes the mission of the District.

**2082.73 Personal Use Cautions.** Employees and Board members are cautioned to take into account the following when using social media for personal use:

1. Employees are free to express themselves as private citizens on social media sites to the degree that their speech does not impair working relationships of the District, impede the performance of duties, impair discipline and harmony among co-workers, or negatively affect the public perception of the District.
2. Employees are cautioned that their speech either on or off duty that has a nexus to the employee's professional duties and responsibilities may not necessarily be protected speech under the First Amendment.
3. Employees should assume that their speech and related activity on social media sites will reflect upon their position within the District and should be mindful that their speech becomes part of the worldwide web.
4. Employees should expect that any information created, transmitted, downloaded, exchanged, or discussed in a public online forum may be accessed by the District at any time without prior notice.
5. Employees should not display department logos, uniforms, or similar identifying items on personal web pages without prior written permission.
6. Employees should not post any material that brings discredit to or may adversely affect the efficiency or integrity of the District.
7. Employees should not complain about their jobs, supervisors, or co-workers in a public forum. These comments reflect poorly on you, the organization and the persons that you criticize. Negative and derogatory comments may also lead to claims of defamation and slander.

**2082.74 Personal Use Prohibitions.** Employees and Board members are prohibited from the following types of personal use of social media:

1. Using of the Twain Harte Community Services District name, logos, or employee status on personal social media to imply directly, or indirectly, that your personal opinions or posts are an official position or opinion of the District.
2. Divulging information gained by reason of their authority as a District employee or making any statements, speeches, appearances, and endorsements, or publishing materials that could reasonably be considered to represent the views or positions of the District without express authorization.
3. Linking work activities to personal social media postings.
4. Posting inappropriate status updates that discuss your department, other staff members, or that may implicate unprofessional conduct.
5. Post photographs/images, video, audio files and/or any other information related to any emergency response activity conducted by this District.

6. Post, transmit, or otherwise disseminate any information to which they have access as a result of their employment without written permission from the General Manager or designee.
7. Using social media while engaged in District work activities, except when such use is directly related to performance of District work activities. Access to social media sites on a personal device should only occur during breaks or absolute down time (firefighters only) as you would use a personal cell phone when on duty. It is inappropriate to post statuses or to view social networking profiles while engaged in District work activity.

#### **2082.80 VIOLATIONS**

Failure to adhere to the guidelines and requirements of this policy may lead to disciplinary action, up to and including, immediate termination. Any employee becoming aware of or having knowledge of a posting or of any social media site or web page in violation of the provision of this policy shall notify his or her supervisor immediately for follow-up action. Violation of this social media policy may result in suspension or termination.



California State Controller's Office

**Malia M. Cohen**

---

Flexibility for Public Agencies Throughout California

# Press Releases

## **Controller Malia M. Cohen's Sponsored Bill to Increase Bid Limits for Public Construction Projects Will Improve Efficiency and Increase Flexibility for Public Agencies Throughout California**

**PR24:33  
9/30/2024**

**Contact: BISMARCK  
OBANDO, PRESS  
SECRETARY  
916-201-9261  
scocomm@sco.ca.gov**

**SACRAMENTO** — Governor Gavin Newsom has signed AB 2192 (Carrillo) into law. This measure will improve efficiency and increase flexibility for public agencies by increasing bid limits under the California Uniform Public Construction Cost Accounting Act (Act) to keep up with rising costs.

The Act was enacted in 1983 to offer agencies an efficient process for executing smaller public works projects while ensuring rigorous accounting standards for these projects. This bill increases from \$60,000 to \$75,000 the limit under which a public agency, through its own Force Account, can use its own workforce, negotiated contract, or purchase order to complete the work. It also increases from \$200,000 to \$ 220,000 the limit under which a local agency can execute a contract through an informal bidding process. The Act is a voluntary program available to all public agencies in the State, but it applies only to those public agencies that have “opted in” as prescribed by the Act. These changes keep these limits in line with increasing project costs, speeding up the award process and expediting project delivery.

“The increase of the public agency construction bid limit to \$75,000 will assist local agencies to account for the rising costs of construction and will provide them with more flexibility in the execution of public works projects that are under \$ 220,000.” stated Controller Cohen. “As the state’s chief fiscal officer, AB 2192 is a fiscally responsible measure that will reduce the time, effort, and expense associated with bidding projects that will in improves the state’s infrastructure and the quality of life for all Californians.”

According to Assemblymember Juan Carillo, “AB 2192 is a key step toward addressing California's housing shortage

while improving our public works projects statewide. The adopted changes are designed to reduce administrative burdens on public agencies by adjusting current bidding limits to reflect inflation and the rising costs of construction. This will help us promote uniformity and fairness in cost accounting standards for construction work performed or contracted. By making it easier for public agencies to build efficiently, we can increase the construction of affordable housing and infrastructure that our communities desperately need. I would like to thank Governor Newsom for his leadership and support to sign this important piece of legislation.”

“The construction industry is very thankful for both Controller Cohen’s and Assemblymember Carrillo’s efforts in passing AB 2192, which will put in place statutory updates that ensure proper oversight and implementation of the Act. The bill also increases the bid limits for compliance, which will advance the Commission’s on-going goal of attracting all public agencies in California to voluntarily opt into the Act by making the Act as appealing as possible,” stated Michelle Pickens, Executive Director of the Construction Industry Force Account Council.

"On behalf of our more than 1,000 special district members delivering local services to millions of Californians, the California Special Districts Association applauds Governor Newsom for signing AB 2192, and thanks State Controller Cohen for her leadership in sponsoring this important measure authored by Assembly Member Juan Carrillo. AB 2192 gives local agencies greater flexibility to efficiently and effectively deliver critical infrastructure projects essential to the state's housing goals. Over 400 special districts have voluntarily joined this program and, with continued improvements like those enacted by AB 2192, we are confident we can grow both the participation and the



benefits for the communities we serve,” stated Neil McCormick, Chief Executive Officer of the California Special Districts Association.

*As the chief fiscal officer of California, Controller Cohen is responsible for accountability and disbursement of the state’s financial resources. The Controller has independent auditing authority over government agencies that spend state funds. She is a member of numerous financing authorities, and fiscal and financial oversight entities including the Franchise Tax Board. She also serves on the boards for the nation’s two largest public pension funds. Follow the Controller on X at [@CAController](#) and on Facebook at [California State Controller’s Office](#).*

###

## Contacts

---

Divisions of the SCO

Email subscription directory

Contact the webmaster

Accessing public records

## Assistance

---

Privacy policy

Accessibility

Feedback

[COVID19.CA.gov](#)

## Other links

---

[Register to Vote](#) 

[Adobe Reader](#) 

[Save Our Water](#) 

[Career Opportunities](#)

---

Copyright © 2024 State of California - State Controller's Office

**TWAIN HARTE COMMUNITY SERVICES DISTRICT  
ORDINANCE NO. 26-01**

**AN ORDINANCE REPEALING ORDINANCE NO. 26 OF THE TWAIN HARTE  
COMMUNITY SERVICES DISTRICT AND SETTING FORTH INFORMAL BIDDING  
PROCEDURES UNDER THE UNIFORM PUBLIC CONSTRUCTION COST  
ACCOUNTING ACT**

**WHEREAS**, The Twain Harte Community Services District ("District") elected to become subject to the Uniform Public Construction Cost Accounting Act ("UPCCAA") procedures pursuant to Public Contract Code Section 22000 et seq. on September 11, 2006, through adoption of Ordinance No. 26; and

**WHEREAS**, the District revised Ordinance No. 26 on August 8, 2013, to reflect changes the State Controller's Office made to the value limits of public projects that can be let for informal bids under the UPCCAA; and

**WHEREAS**, the State Controller's Office has again revised the UPCCAA value limits for public projects that can be let for informal bids (effective January 1, 2019) and it is in the District's best interest to adopt this Ordinance with said revised limits.

NOW, THEREFORE, the Board of Directors of the Twain Harte Community Services District do ordain as follows:

**SECTION 26.1 – Addition to Ordinance Code**

Ordinance 26-01 is hereby added to the Ordinance Code of the Twain Harte Community Services District ("District") as set forth herein.

**SECTION 26.2 – Findings and Purpose**

It is in the public interest for the Board of Directors of the District to elect to become subject to the Uniform Public Construction Cost Accounting Act procedures adopted by the California Uniform Construction Cost Accounting Commission pursuant to Public Contract Code Section 22000 et seq. Performance of District construction and maintenance projects in accordance with these procedures will enable the District to perform said projects with its own staff and/or by contracts through informal bidding procedures when it is in the best public interest of the District to do so.

**SECTION 26.3 – Informal Bidding Procedures**

Public projects as defined by the UPCCAA of Two Hundred Thousand Dollars (\$200,000) or less may be let to contract by informal procedures as set forth in Section 22032 et seq. of the Public Contract Code.

Public projects as defined by the UPCCAA of Sixty Thousand Dollars (\$60,000) or less may be performed by District employees by force account, by negotiated contract or by purchase order, as set forth in Section 22032 et seq. of the Public Contract Code.

#### **SECTION 26.4 – Development, Maintenance and Use of Contractors List**

The General Manager shall develop a list of qualified contractors eligible to submit bids on informal contracts awarded by the District. The list of contractors shall be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and minimum criteria propagated from time to time by the California Uniform Public Construction Cost Accounting Commission.

The contractors list shall be organized in accordance with the license classifications utilized by the Contractors State License Board and according to categories of work. The General Manager of the District shall, during November of each year, mail a written notice to all construction trade journals designated by the Commission for that County in which the District is located pursuant to Public Contract Code Section 22036 inviting all licensed contractors to submit the name of their firm to the District for inclusion on the District's list of qualified bidders for the following calendar year.

The written notice shall require the contractor to provide the name and address to which a Notice Inviting Bids should be mailed, a telephone number at which the contractor may be reached, the type of work which the contractor is interested in and currently licensed to do, together with the class of contractor's license held and contractor's license number. The District may include any contractor's name it desires on the list, but the list must include at a minimum all contractors who have properly provided the District with the information required as set forth above. A contractor may have his firm added to the District's contractors list at any time by providing the required information.

#### **SECTION 26.5 – Notice Inviting Informal Bids**

Where a public project is to be performed subject to this Ordinance, a notice inviting informal bids shall be mailed to all contractors for the category of work to be bid, as shown on the contractors list developed and maintained by the District, and all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the District provided however:

1. If there is no list of qualified contractors maintained by the District for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission; and
2. 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.

**SECTION 26.6 – Award of Contracts**

The General Manager of the District is authorized to award informal contracts pursuant to this Section.

At the time provided in the notice inviting informal bids, the General Manager shall open all bids timely received and, upon approval by the Board of Directors, shall award a contract to the lowest responsible bidder. If two or more bids are the same and lowest, the Board of Directors may choose the contractor to whom the contract is to be awarded.

If no bids are received, the General Manager may again solicit informal bids, perform the work with District employees, or negotiate an informal contract with a contractor chosen by the General Manager.

**SECTION 26.7 – Emergencies**

The Board of Directors hereby delegates to the General Manager of the District the power to declare a public emergency as defined in Public Contract Code Section 22035 and to accomplish repairs and/or replacements as permitted by said Section. Such work shall be performed without the benefit of informal or formal bidding and without adoption of plans, specifications or working details, provided that such repair or replacements are necessary to permit the continued conduct of the operation or services of the District or to avoid danger to life or property. The General Manager of the District shall provide a full report on the emergency work performed at the next meeting of the Board of Directors, at which time the Board may confirm the existence of such public emergency by a four-fifths (4/5) vote and may take such other action necessary including but not limited to decisions as to whether the authorized work should continue without the benefit of informal or formal bidding.

**SECTION 26.8 – Effective Date and Repeal of Ordinance No. 26**

This Ordinance shall take effect and be enforced thirty (30) days from the date of its passage and no earlier than January 1, 2019. Upon the effective date of this Ordinance, Ordinance No. 26 shall be repealed in its entirety. Before the expiration of fifteen (15) days after this Ordinance’s passage, a summary of it, shall be published once, with the names of the members of the Board of Directors voting for and against the same in a newspaper of general circulation published in the County of Tuolumne.

**ADOPTED** as an Ordinance of Twain Harte Community Services District by the District's Board of Directors at a public hearing held at their regular meeting on December 12, 2018, by the following vote:

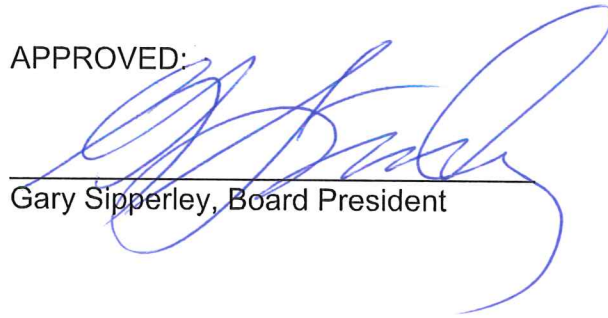
AYES: Sipperley, McManus, Knudson, Mannix, Johnson

NOES:           

ABSTAIN:       

ABSENT:       

APPROVED:



Gary Sipperley, Board President

ATTEST:



---

Carolyn Higgins, Board Secretary

**TWAIN HARTE COMMUNITY SERVICES DISTRICT**  
**Policy and Procedure Manual**

**POLICY TITLE:** Purchasing and Expense Authorization  
**POLICY NUMBER:** 3040  
**ADOPTED:** October 17, 2006  
**AMENDED:** 1/8/2009, 11/8/2012, 1/8/2014, 4/13/2017, 7/13/2017, 12/14/2017, 10/10/2018, 12/12/2018  
**LAST AMENDED:** January 13, 2021

**3040.10 PURPOSE**

The procedures in this policy are designed to ensure that District procurement practices promote and adhere to the following:

- Applicable local, state, and federal laws/ regulations; and
- Best value purchasing – maximizing cost-effectiveness, quality and efficiency; and
- Open and free competition; and
- Transparency and accountability; and
- Operational flexibility.

**3040.20 PROCUREMENT TYPES**

For the purposes of this policy there are three types of procurement:

- Procurement of Items
- Procurement of Services
- Procurement of Public Works Construction

Requirements for purchases related to employee/board training and travel are set forth in Policy #2083, *Training and Travel Authorization and Expense Reimbursement*.

**3040.30 PURCHASING AUTHORITY**

**3040.31 Purchases within Adopted Budget.** District staff are authorized by the Board to make expenditures within the total approved current fiscal year budget. Department Heads are responsible to monitor and control all purchases within their respective budget line items and are responsible

for ensuring that all purchases remain within budget.

**3040.32 Purchases in Excess of Adopted Budget.** District staff are authorized by the Board to make expenditures in excess of the approved current fiscal year budget as follows:

**3040.32.1 Exceeding Line Item Budget and Line Item Transfers.** Department Heads are authorized to exceed line item budget amounts and/or transfer budget amounts between line items in accordance with the following:

- A. \$500 or less. Department Heads may exceed individual line item budget amounts by \$500 or less so long as the budget amount for the overall budget category is not exceeded. A budget adjustment is not required to exceed line item budget amounts in this manner.
- B. More than \$500 to \$5,000. Department Heads may exceed individual line item budget amounts by up to \$5,000 by transferring budget between line items through an internal budget adjustment. Requests for such budget adjustments must be made to the General Manager by submittal of a budget transfer form which identifies the line item to be exceeded, the amount to be transferred, and the line item from which the transfer will occur. All such budget adjustments must be approved by the General Manager before the line item budget is exceeded. In special circumstances, as determined by the General Manager, approval of a budget transfer between line items may occur after the line item budget amount has been exceeded.
- C. More than \$5,000. Transfers between budget line items in excess of \$5,000 shall first be submitted to the Board of Directors for approval.
- D. Transfers between Operational and Capital Budgets. Non-emergency transfers from Fixed Asset or approved Capital Project line items to Operation and Maintenance are not allowed unless approved by the Board of Directors.

**3040.32.2 Exceeding Overall Budget - Unanticipated.** The General Manager is authorized to make expenditures in excess of the total current fiscal year budget for any service of up to \$5,000, so long as a readily accessible source of revenue



from reserve accounts is available. The General Manager shall seek Board approval of the appropriate budget amendment at the following regular meeting.

**3040.32.3 Exceeding Overall Budget – Emergencies.** In an emergency, the General Manager, or a Department head in the absence of the General Manager, may authorize expenditures greater than \$5,000 in excess of the total current fiscal year budget, but within available reserve funding and shall seek Board approval of the appropriate budget adjustment at the following regular meeting. “Emergency” shall include, but not be limited to, breakdown of equipment or infrastructure that is critical to delivery of services such as pumps and treatment devices, fire engine motors and pumps, sewage lift station pumps. Emergency shall also include all actions necessary to establish and maintain safe conditions for the public after and during an emergency event.

**3040.32.4 Exceeding Overall Budget – External Revenue Source.** The General Manager is authorized to make expenditures in excess of the current fiscal year budget for projects and purchases for which the source of revenue has been identified and previously approved by the Board of Directors. The General Manager may authorize labor expenses in excess of the current fiscal year budget for fire strike team activities so long as such labor is eligible for reimbursement through existing agreements.

### **3040.40 PROCUREMENT OF ITEMS**

**3040.41 Definition.** Items include all supplies, equipment, vehicles, items and materials, except for materials required for a Public Works Construction contract as defined in Section 3040.61.

**3040.42 Prevailing Wages.** Items are not subject to prevailing wages.

**3040.43 Procurement Procedures.** Items must be procured as follows:

**3040.43.1 Less than \$5,000.** Items of this amount (including taxes and shipping) will be awarded by the appropriate Department head based on staff recommendation. Solicitation of three quotes is encouraged, but not required, unless specifically requested by the Department head or General Manager.

No purchase order is required.

**3040.43.2 \$5,000 to \$60,000.** Staff shall solicit at least three informal quotes and the Department Head shall submit award recommendation to the Finance Department via a purchase requisition form. Award will be made by the General Manager to the vendor with the lowest price, unless the General Manager determines that the vendor cannot deliver the item within an acceptable time period, provide a reasonable level of service or support, or provide an item of acceptable quality.

A purchase order is required.

**3040.43.3 Greater than \$60,000.** Staff shall solicit bids through a formal Request for Bids (RFB) process with detailed item and vendor specifications. RFB's shall be sent to as many vendors as possible and shall be posted in a place accessible by all vendors. Award will be made to the vendor whose item meets the RFB specifications and is the lowest price.

Items less than \$75,000 may be awarded by the General Manager.

Items \$75,000 or greater must be awarded by the Board.

A purchase order is required.

## **3040.50 PROCUREMENT OF SERVICES**

**3040.51 Definition.** Services include, but are not limited to professional services (i.e. engineering, auditor, surveying, consulting, etc.), janitorial services, landscape maintenance, vehicle maintenance, *minor* repainting, and maintenance work that is routine, recurring and usual work for the preservation or protection of any publicly operated water or sewer facility for its intended purposes. Maintenance services for fire or park facilities are considered Public Works Construction. Services do not include any activity considered Public Works Construction (see definition in Section 3040.61).

**3040.52 Prevailing Wages.** Services are not subject to prevailing wages, except:

- The following services, when directly related to a Public Works Construction contract (defined in Section 3040.61): surveying, soil testing, modular furniture installation, and inspection covered by the Uniform Building Code.
- Facility and landscape maintenance services.

**3040.53 Procurement Procedures.** Services must be procured as follows:

**3040.53.1 Less than \$5,000.** Services of this amount will be awarded by the appropriate Department Head based on staff recommendation. Solicitation of three quotes is encouraged, but not required, unless specifically requested by the Department Head or General Manager.

No purchase order is required.

**3040.53.2 \$5,000 to \$25,000.** Staff shall solicit at least three informal quotations/proposals and the Department Head shall submit award recommendation to the Finance Department via a purchase requisition form. Award will be made by the General Manager to the vendor with the lowest price, unless the General Manager determines that the vendor cannot deliver the services within an acceptable time period or provide a reasonable level of service or support, or cannot provide services of acceptable quality.

A purchase order is required.

**3040.53.3 \$25,000 to \$60,000.** Staff shall solicit proposals through a informal Request for Proposals (RFP) process based on qualifications, experience and a proposed scope of work. Service providers shall be selected to perform work based on best value provided to the District through a selection process approved by the General Manager and appropriate for the services requested.

The General Manager will award services and the services provider must execute the District's services agreement.

A services agreement is required.

**3040.53.4 Greater than \$60,000.** Staff shall solicit proposals through a formal Request for Proposals (RFP) process based on qualifications, experience and a proposed scope of work. Service providers shall be selected to perform work based on best value provided to the District through a selection process approved by the General Manager and appropriate for the services requested.

The Board will award services and the services provider must execute the District's services agreement.

A services agreement is required.

### **3040.60 PROCUREMENT OF PUBLIC WORKS CONSTRUCTION AND MATERIALS**

**3040.61 Definition.** Public Works Construction is specifically defined as “Public Project” in Section 22002(c) of the California Public Contract Code. Said definition will always supersede any description provided within this policy. Public Works Construction includes:

- Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any district owned, leased or operated facility.
- Painting or repainting of any district owned, leased or operated facility
- Purchase of construction materials needed for Public Works Construction projects.

**3040.62 Prevailing Wages.** All Public Works Construction projects \$1,000 and greater must adhere to state prevailing wage requirements as outlined in sections 1770-1781 of the California labor code. Pursuant to these requirements, staff must inform contractors that the project is subject to prevailing wage requirements before quotes/bids are solicited. Depending on the cost and type of work (details provided in below procurement categories), staff may also need to verify that contractors are registered with the Department of Industrial Relations before requesting bids.

**3040.63 Splitting Projects.** A Public Works Construction project may not be split into smaller projects for the purpose of evading prevailing wages or competitive procurement procedures herein. This includes separating procurement of materials from construction labor.

**3040.64 Procurement Procedures.** Public Works Construction must be procured as follows:

**3040.64.1 Construction Materials.** Construction materials may be procured with the procurement procedures for Items (Section 3040.43) when the total costs for the Public Works Construction project is \$60,000 or less. When the total costs for the Public Works Construction project exceeds \$60,000, construction materials procurement must follow the bidding requirements outlined in the Uniform Public Construction Cost Accounting Act (UPCCA), Public Contract Code Sections 22030 et seq.

**3040.64.1 Less than \$1,000.** Public Works Construction of this amount will be awarded by the appropriate Department Head based

on staff recommendation. Solicitation of three quotes is encouraged, but not required, unless specifically requested by the Department Head or General Manager.

No purchase order is required.

**3040.64.2 \$1,000 to \$5,000.** Public Works Construction of this amount will be awarded by the General Manager based on staff recommendation. Solicitation of three quotes is encouraged, but not required, unless specifically requested by the Department Head or General Manager.

A purchase order is required. Purchase orders shall include appropriate prevailing wage requirements.

**3040.64.3 More than \$5,000 to \$25,000.** Staff shall solicit at least three informal quotes/bids and the Department Head shall submit award recommendation to the Finance Department via a purchase requisition form. Award will be made by the General Manager to the vendor with the lowest price, unless the General Manager determines that the contractor cannot complete the project within an acceptable time period or with acceptable quality.

If the project is a maintenance project and is greater than \$15,000, staff must make sure contractors are registered with the Department of Industrial Relations before soliciting bids.

A purchase order is required. Purchase orders shall include appropriate prevailing wage requirements.

**3040.64.4 More than \$25,000 to \$60,000.** Staff shall develop informal drawings and specifications and solicit at least three informal quotes/bids. Staff may work with contractors/bidders to develop drawings, specifications and scope of work to ensure best value. Specifications must clearly note that a payment bond is required. The Department Head shall submit award recommendation to the Finance Department via a purchase requisition form. Award will be made to the contractor with the lowest price, unless the General Manager determines that the contractor cannot complete the project within an acceptable time period or with acceptable quality.

Staff must make sure contractors are registered with the Department of Industrial Relations before soliciting bids.

A payment bond is required.

The General Manager will award contracts and contractors must execute the District's construction contract.

**3040.64.5 More than \$60,000 to \$200,000.** Procedures for bidding all Public Works Construction of this amount must adhere to the informal bidding requirements outlined in the Uniform Public Construction Cost Accounting Act (UPCCA), Public Contract Code Sections 22030 et seq., and Twain Harte Community Services District Ordinance No. 26.

Staff shall develop bid documents, plans and specifications appropriate for accurate bidding. The General Manager shall approve all such bid documents. A bid bond/cash deposit, payment bond and performance bond are required.

The General Manager will award contracts and contractors must execute the District's construction contract.

**3040.64.6 Greater than \$200,000.** Procedures for bidding all Public Works Construction of this amount must adhere to the formal bidding requirements outlined in the Uniform Public Construction Cost Accounting Act (UPCCA), Public Contract Code Sections 22030 et seq.

Staff shall develop formal bid documents, plans and specifications. The Board shall adopt all such bid documents prior to bidding. A bid bond/cash deposit, payment bond and performance bond are required.

The Board will award contracts and contractors must execute the District's construction contract.

## **3040.70 WAIVER OF PROCUREMENT PROCEDURES**

**3040.71 Waiver Authority.** The General Manager is authorized to waive certain procurement procedures within this policy under the following conditions:

**3040.71.1 Emergency.** In the event of an emergency, the General Manager, may procure items and services required to address the emergency without following the quote/bidding solicitation procedures of this policy. Procurement procedures for Public Works Construction activities may be waived when the General Manager or Board declares a public emergency in accordance to California Public Contract

Code (PCC) Section 22035 and District Ordinance #26-01, "Informal Bidding Procedures under the Uniform Construction Cost Accounting Act". Refer to the PCC and Ordinance #26 for additional requirements.

**3040.71.2 Sole Source.** Sole-source purchasing (purchasing from a specific vendor or a specific brand of item without a competitive process) is authorized with advance approval from the General Manager, provided that the purchase of such sole-source item(s) will: provide a longer service life, reduce the need for extensive parts inventory, reduce maintenance or servicing costs, provide a higher level of service, will reduce down time for equipment or are the only vendor offering the needed equipment, supplies or service.

**3040.71.3 Cooperative Purchasing.** The District may award a purchase order or contract without following the quote/bidding solicitation requirements of this policy if competitive bidding has already been conducted by another public agency (e.g. through a governmental cooperative purchasing program).

**3040.71.4 Less than Three Quotes.** Staff shall make every reasonable attempt to obtain three quotes when required by the procurement procedures herein. However, the General Manager may waive the requirement for three quotes under the following circumstances:

- A. Staff contacted three or more entities and did not receive quotes or proposals within 10 business days.
- B. There are not three entities capable of providing requested construction, services or items.
- C. There are not three entities capable of providing requested construction, services or items in a reasonable time frame, as determined by the General Manager.

**3040.71.5 Right Not to Award.** The General Manager or Board may choose to reject all bids/quotes/proposals for any reason.

## **3040.80 PAYMENT METHODS**

**3040.81 District Checks.** Vendors, service providers and contractors may submit an invoice to the District requesting payment for purchases allowed under

this policy. All such invoices must include, at a minimum, an invoice number, date, purchase order number and description of purchase. Invoices shall be paid by District check within 30 days of approval by the appropriate Department Head.

Invoices shall not be approved until after items have been received, services rendered or construction completed. Staff shall make every effort to expediently review and approve invoices.

**3040.82 District Credit Cards.** District issued credit cards may be used within individual credit limits to pay for purchases allowed under this policy. Receipts for all credit card purchases must be submitted as soon as possible to the District office. No personal purchases are allowed on District credit cards or on a District's account with any vendor.

**3040.83 Petty Cash.** Petty cash may be advanced to District staff or Directors upon their request and the execution of a *petty cash request form*, to pay for purchases allowed under this policy. As soon as possible after said purchases have been made, a receipt shall be submitted to the District Finance Officer, and any remaining advanced funds shall be returned.

The maximum petty cash advance, when available in the petty cash fund, shall be \$50.00 unless specifically approved by signature of the General Manager. No personal checks shall be cashed in the petty cash fund.

A "petty cash" fund shall be maintained in the District office having a balance-on-hand maximum of \$400.00. The petty cash fund shall be included in the District's annual independent accounting audit.

**3040.84 Reimbursement.** District employees or Board Directors may incur "out-of-pocket" expenses, as verified by valid receipts, to pay for purchases allowed under this policy. Said "out of pocket" expenses shall be reimbursed upon request from the District's petty cash fund or a District check issued in the name of the party requesting reimbursement. In instances when a receipt is not obtainable, the requested reimbursement must be approved by the General Manager prior to remuneration.

**3040.84.1 Annual Reimbursement Reporting.** Per Government Code 53065.5 reimbursements of at least one hundred dollars (\$100) for each individual charge for services or product received shall be disclosed in a publicly available report. An "individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the governing body of the district. An annual report will be compiled and made available no later than December 31<sup>st</sup> for



reimbursements made in the previous fiscal year.

### **3040.90 OTHER REQUIREMENTS**

**3040.91 Advanced Payments/Deposits.** Pre-payment of purchases allowed under this policy are not allowed. Items, services and construction must be received or complete prior to payment.

Payment for construction or maintenance materials may be made upon receipt before they have been incorporated in the work.

Under unique circumstances, as determined by the General Manager, the General Manager may approve pre-payment or a deposit in an amount not to exceed 10% of the value of items, services or construction procured. The amount of said pre-payment or deposit must be reasonable and not put the District in a position of significant risk.

**3040.92 Document Retention.** The District shall document the results of procurement procedures and retain said documentation as required by Policy #3100, *Records Retention and Destruction*.

**3040.93 Policy Violation.** Employees are subject to disciplinary action up to and including termination for violation of this policy.