

**ROSS VALLEY FIRE DEPARTMENT
STAFF REPORT**

For the meeting of January 8, 2025

To: Board of Directors

From: Dan Mahoney, Fire Chief

Subject: Adoption of the Ross Valley Fire Department's Purchasing
Policy Resolution 25- 01

RECOMMENDATION

Staff recommends the Board adopt Resolution 25- 01, creating a Purchasing Policy for the Department.

DISCUSSION

Section 3.1(d) of the Joint Powers Agreement (“JPA”) for the Ross Valley Fire Department (“Department”) allows the Board of Directors (“Board”) to provide direction on “entering into contracts, leases and other agreements, which may include a contract for administrative and fiscal services and a contract with a Certified Public Accountant for annual audit services, and may include mutual aid or automatic response agreements or contracts for services to other jurisdictions.”

However, the Board has not provided direction to staff regarding Section 3.1(d). Staff, therefore, proposes creating a formal purchasing policy that governs the procurement of supplies, materials, services, equipment, and all other services described under Section 3.1(d).

The absence of such a policy can lead to inconsistencies in purchasing practices and potential inefficiencies in the procurement process. Furthermore, a lack of policy means that the Board must often take action to approve contracts, leases, and other agreements that could be designated to the Fire Chief, Executive Director, or other staff.

A formal purchasing policy has been developed for the Department to comply with Section 3.1(d) and ensure that purchasing practices align with legal requirements and industry best practices.

Purpose of the Purchasing Policy

The primary purpose of the Purchasing Policy is to establish clear guidelines and procedures for the procurement of supplies, materials, services, and equipment for the Ross Valley Fire Department. The policy aims to:

- Give formal direction from the Board to Department staff on the provisions of Section 3.1(d)
- Ensure compliance with applicable State and local laws.
- Promote transparency, fairness, and consistency in purchasing practices.
- Optimize the use of public funds by securing quality goods and services at the most reasonable cost.
- Define the roles and responsibilities of staff involved in the purchasing process.

Key Provisions of the Purchasing Policy

The Purchasing Policy outlines specific procedures based on the dollar value of purchases:

1. Purchases up to \$10,000:
For purchases valued at \$1,000 or less, the Fire Chief or their designee may approve purchases based on informal oral or written vendor quotes. This allows for quick and efficient procurement of necessary items for daily operations.
2. Purchases between \$10,001 and \$50,000:
For purchases in this range, the Fire Chief or their designee may approve purchases based on a minimum of three informal quotes, where feasible. The contract is to be awarded to the lowest responsible bidder, considering factors such as price, quality, service, and vendor reputation.
3. Purchases exceeding \$50,000:
Any purchase exceeding \$50,000, which has not been authorized pursuant to a specific contract or other action previously approved by the Board of Directors, shall be presented and approved by the Board of Directors

Exemptions and Special Circumstances

The policy also includes provisions for specific situations where the standard purchasing procedures may not apply:

- Emergency Purchases: When immediate procurement is necessary to prevent or respond to an emergency situation, the Fire Chief has the authority to bypass standard procedures to expedite the purchase.
- Sole Source Purchases: When only one vendor can provide the required goods or services, the Fire Chief may approve a sole source purchase with proper justification.
- Professional Services: Contracts for professional or expert services are exempt from the competitive bidding process but must still undergo a thorough review and approval process.

Disposal of Surplus Property

The policy provides guidelines for the disposal of obsolete or surplus property. The Fire Chief is authorized to determine the most appropriate method for disposing of such property, which may include sale, donation, or recycling.

Inflation Adjustment

The policy includes a provision for annual adjustments based on the San Francisco Bay Area Consumer Price Index (CPI) to ensure that the purchasing thresholds remain relevant over time.

CONCLUSION

Implementing the Purchasing Policy will enhance the efficiency, transparency, and accountability of the Ross Valley Fire Department's procurement processes. The policy is designed to provide clear and consistent guidelines for all purchasing activities, ensuring that public funds are used effectively and responsibly.

FISCAL IMPACT

There is no direct fiscal impact as a result of adopting this resolution.

ATTACHMENTS

Attachment #1 – Purchasing Policy

Attachment #2 – Resolution 25-01