

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT  
RESOLUTION NO. 09**

A RESOLUTION OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, ADOPTING AMENDED PURCHASING POLICIES FOR PURCHASES AND CONTRACTS BY THE DISTRICT.

WHEREAS, the Quail Creek Community Facilities District has been formed pursuant to the laws of the State of Arizona, and is in need of policies relating to the purchase of goods and services; and

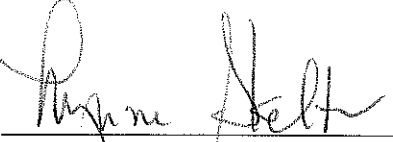
WHEREAS, the Quail Creek Community Facilities District has previously adopted, by Resolution No. 05, Purchasing Policies to be followed by the CFD; and

WHEREAS, the Board of the CFD desires to amend the purchasing policies as shown in Exhibit "A," a form of which is attached hereto and made a part hereof by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Community Facilities District Board as follows:

- Section 1.** The CFD hereby adopts the Quail Creek Community Facilities District Amended Purchasing Policies, a form of which is attached hereto as Exhibit "A" and incorporated herein by this reference.
- Section 2.** The various District officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this Resolution.
- Section 3.** All resolutions, or motions, and parts of resolutions or motions of the District Board in conflict with the provisions of this Resolution are hereby repealed, effective as of the effective date of this Resolution.
- Section 4.** If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the District Board this 14<sup>th</sup> day of April, 2008.

  
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Lynne Skelton, Board Chair

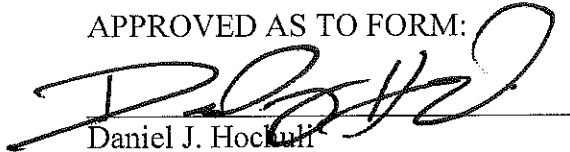
ATTEST:



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Sandra R. Olivas-Meranza, CMC  
District Clerk

APPROVED AS TO FORM:



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Daniel J. Hochuli  
District Attorney

EXHIBIT "A"

*Quail Creek Community Facilities District Amended Purchasing Policies*

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT  
AMENDED PURCHASING POLICIES**

1. Scope of chapter. This chapter shall govern the purchase of any goods or services for or on behalf of the District. This chapter is intended to supplement state law; however, should applicable state law provide more strict provisions regarding any proposed transaction, those more stringent provisions shall apply.
2. Board approval – When required. Notwithstanding other provisions of this section, no purchases shall be made by or on behalf of the District without first obtaining District Board approval in the following instances:
  - a. Where prior approval is required by state law or District policy;
  - b. Where funds for the purchase are not provided in the budget as adopted;
  - c. When required by Section 5.
3. Purchasing director – Duties.
  - a. The District Manager shall serve as the purchasing director and shall direct and control all purchases of goods and services made by or on behalf of the District. The purchasing director may delegate his or her administrative function.
  - b. The purchasing director shall approve or deny all purchase requests and shall report to the District Board on any purchase requiring District Board approval.
4. Emergency purchases – Procedure. In case of an emergency which requires immediate purchase of supplies or services and when time is of the essence and applicable state law does not provide otherwise, the District Chair shall be empowered to authorize the purchasing director to acquire goods or services without complying with the requirements and procedures in this section. A full report of the circumstances of such emergency and the goods or services obtained shall be made to the District Board at its next meeting.
5. Purchases in general – Bids.
  - a. Purchases Under \$5,000. Whenever the contemplated purchase or contract for services is for the sum of less than \$5,000, upon completion of a requisition form and purchase order form, the purchasing director may obtain the goods or services without further formality.
  - b. Over \$5,000 But Under \$25,000 Inclusive. Whenever any contemplated purchase or contract for services is for the sum of at least \$5,000 but not more than \$25,000, the purchasing director is authorized to let contracts on an “informal bid” process, by obtaining at least three bids by phone or in writing. The purchasing director may then award the purchase or contract of service to the lowest responsible bidder.
  - c. In Excess of \$25,000. Whenever any contemplated purchase or contract for services is for a sum exceeding \$25,000, the purchasing director shall cause to be published in two issues of a newspaper of general circulation in the District,

notice inviting bids, which notice shall be published at least 10 days prior to the date set for the receipt of bids. The notice herein required shall include a general description of the articles to be purchased or services to be performed and the time and place for opening bids. In addition, the purchasing director shall post a notice inviting bids in the Sahuarita town hall and may also mail to all responsible prospective suppliers a copy of the notice inserted in the newspaper.

- d. No contract in excess of \$25,000 shall be let except by the District Board. Whenever any contemplated purchase or contract for services is in excess of \$25,000, the purchasing director shall present the bids to the District Board for approval, and advise the District Board of the advantages or disadvantages of the contract and bid proposals.

6. Exceptions.

- a. Exclusive Service. In the event that there is only one firm or company or individual capable of providing a particular service or commodity and such services or commodities cannot be secured from other persons or companies, the bidding procedures set forth in Section 7 shall not be applicable, and such services or commodities may be secured without bidding. The District Manager shall report to the District Board at the next meeting any such purchases.
- b. Used Equipment. Upon recommendation of the District Manager, the District Board may elect to waive the bid procedures with respect to the purchase of used equipment.
- c. Cooperative Purchasing. In the event of a purchase made by, through, or with the state of Arizona or its political subdivisions, the District Board may approve such purchases or award such contracts for services without a formal bidding process whenever other governmental units have done so for the same item or service, if in the opinion of the District Manager a separate bidding process is not likely to result in a lower price for such items or services. Purchases made by, through, or with the state of Arizona or its political subdivisions or the United States federal government's General Services Administration need not be submitted to the District Board for approval.

7. Bidding procedure. Except as provided in state law, the purchasing director shall follow the procedure set forth in this section for all purchases and contracts subject to the formal bidding process:

- a. A notice of solicitation for bids shall state the date, time and place of opening, and the place and time period within which bids shall be submitted.
- b. The notice shall state with particularity the goods or services required and shall state the place where specifications may be examined.
- c. Bids shall be submitted in a sealed envelope clearly identified as a bid on the front of the envelope. Any bid not received within the time period allowed shall be rejected.
- d. All bids shall be opened in public at the time and place specified, and a tabulation of all bids shall be posted in Sahuarita town hall for public inspection.

- e. All bidders shall be notified in writing of the award or rejection of any and all bids.
8. Lowest responsible bidder.
- a. Unless the District Board or the purchasing director, as appropriate, shall exercise the right of rejection, all goods and services shall be awarded to the lowest responsible bidder. In determining the lowest responsible bidder, the District Board or the purchasing director shall consider:
- i. The ability, capacity and skill of the bidder to perform the contract or provide the services required in a timely manner;
  - ii. The quality of performance in previous contracts with the District or Town of Sahuarita, together with previous and existing compliance with Town or District requirements;
  - iii. The financial resources and ability of the bidder;
  - iv. The quality, availability and adaptability of the goods or service.
- b. The purchasing director shall select providers of goods and services without regard to race, color, national origin, ethnicity, religion or creed, sex, handicap, age, marital or familial status as required by the District policy of equal opportunity and nondiscrimination.
9. Alternative Project Delivery Methods. Any project constructed or financed may use any project delivery method set forth in Title 34, Arizona Revised Statutes. Any job order contract pursuant to A.R.S. § 34-101 *et seq.* shall be permitted for a total individual project cost not to exceed \$1,500,000.
10. Performance bond. The purchasing director shall have the authority to require a performance bond, in such amount as the purchasing director may deem sufficient to secure the execution of a contract for construction; provided, however, that in a contract for construction in excess of \$10,000, such a bond shall be required. In all cases of construction to which state law applies, any requirement for a bond shall be incorporated into the contract.
11. Professional and technical services.
- a. The provisions of this section shall not apply to professional or technical services.
  - b. No person or firm practicing in a professional or technical field for which a license is required by state law shall be engaged by the District unless possessing a current license in good standing.
  - c. Upon engagement, the District shall enter into a written agreement or memorandum of understanding for the performance of professional and technical services setting forth the scope of services and the unit or total price therefor.
12. Surplus supplies and equipment. All departments and offices shall submit to the purchasing agent, at such time and in such form as shall be prescribed, reports showing all supplies and equipment which are no longer used or have become obsolete or worn

out. The purchasing agent shall have the authority to sell all supplies and equipment which cannot be used or which have become unsuitable for District use, or to exchange the same for or trade in the same for new supplies and equipment in accordance with applicable state statutes.

13. Signatures on checks.

- a. All checks for expenditures of District moneys for an amount of less than \$1,000 shall bear one signature of either the District Manager, District Clerk, District Finance Director, or Board Chair.
- b. All checks for expenditures of District moneys for an amount equal to or greater than \$1,000 shall bear two signatures of the District Manager, District Clerk, District Finance Director, or Board Chair.

14. State preemption. Notwithstanding any other portion of this section, in the event any purchase or contract falls within the definitions for limitations of A.R.S. § 34-201 et seq., as amended, the provisions, requirements and specifications of the relevant portions of the Arizona Revised Statutes shall supersede this chapter and control any such bidding procedures.