



**Chester Metropolitan District**  
Regular Commission Meeting  
November 14, 2018

The Chester Metropolitan District's Regular Commission meeting was held at 6:00 pm on Wednesday, November 12, 2018 at the CMD Office, 155 Wylie Street, Chester, SC. Members attending were: Earl Thraikill, Chairman; Jean H. Nichols, Secretary; Raymond Douglas; Sharon Peterson; James Simpson; Michael Brunson; and George Wilmore. Others in attendance were Fred Castles, Executive Director; Susan Roddey, Executive Assistant; Andy Litten, District Engineer; Becky Moon, Finance Manager; Arthur Gaston, Attorney; and Tommy McMinn of Richburg.

**Chairman Earl Thraikill called the meeting to order.**

Commissioners stood for the Pledge of Allegiance, then Attorney Gaston offered a short invocation for those interested in participating.

**Minutes:**

Chairman Thraikill asked for corrections or additions to the minutes. The minutes of the October 10, 2018 meeting were approved. Motion to approve was made by Jean Nichols, Seconded by Sharon Peterson, and unanimously approved.

**Old Business:**

***Filter Plant Report-*** Mr. Castles read the Filter Plant Report for November. A copy of the report is attached to the minutes.

***Engineer's Report-*** Mr. Litten read the report for November. A copy of the report is attached to the minutes.

***DMAG Report-*** Mr. Litten read the report for November. A copy of the report is attached to the minutes.

Mr. Wilmore asked if the meters are prone to breaking during the freeze. Mr. Litten said that they do not. Last year during the hard freeze, we only had one or two, but they were closer to the surface than normal.

Mr. Simpson asked about the Lincolnville Hydrant. Mr. Litten said that we are still working on it, but we have not yet found a solution regarding the ownership issues. Mr. Simpson stated that there was another fire in that neighborhood recently.

**New Business:**

***Director's Update-***

- **Economic Development** – Carolina Poly is beginning a \$25 million expansion and will add 50 employees.
- **Roseburg** – The plant is under construction and is scheduled to open third quarter 2019.

- **Water Plant** – David installed new flocculators and chains. A portion of the flocculation system was damaged by a failing wall, and it has been removed. The plant is still operating to standard until it can be replaced.

***Procurement Policy***– Mr. Castles stated that copies of the draft Procurement Policy have been given to each Commissioner for review and comment. Though it is not approved policy, it is more robust than our current policy and is the guideline CMD has been following for years. Mr. Castles further stated that this review is with the intent of approving the document at the December meeting.

***Election of Officers***– Chairman Thrailkill stated that the Commission has been operating without a vice-chair for quite some time, and the time has come to fill the position. Commission Secretary Jean Nichols nominated Sharon Peterson because of her long-standing history and commitment with the District.

*The nomination of Sharon Peterson for Vice-Chair was made by Jean Nichols, Seconded by George Wilmore, and unanimously approved.*

#### **Reports:**

***Director's Report-*** Mr. Castles read the Director's Report for November. A copy of this report is attached to the minutes.

***Hydrant Report-*** Mr. Castles read the Hydrant Report for November. A copy of this report is attached to the minutes.

***Financial Report-*** Mrs. Moon read the Financial Report for November. A copy of this report is attached to the minutes

***Tyler Update-*** Mrs. Moon stated that everyone is in training because the accounting portion of the software is in the process of going live. Training is intense and everyone is excited.

***Executive Director's Performance Evaluation*** – a package is available for each Commission member regarding Mr. Castles' evaluation data as well as a list of this year's accomplishments for the District. This is the first time that all Commissioners will participate. A meeting to discuss the evaluation is scheduled for December 12<sup>th</sup> at 4:00 pm. All board members will meet at the office and be given score sheets. Beth Taylerson will be part of the discussion with the Board as a facilitator. Attorney Gaston is also invited to attend the meeting and participate. The regular meeting will be at 6:00 PM. With there being no further business to discuss, the meeting was adjourned. Motion to adjourn was made by Sharon Peterson, Seconded by Jean Nichols, and unanimously approved.

Approved:

Respectfully Submitted:

Date: **December 12, 2018**

By: **Susan H. Roddey**

# *Chester Metropolitan District*

## *Agenda*

*Wednesday, November 14, 2018*

*6:00 PM*

- I. Call Meeting to Order**
- II. Approval of Last Meeting Minutes**
- III. Old Business**
  - A. Filter Plant - Fred Castles
  - B. Engineer's Report - Andy Litten
  - C. DMAG Report - Andy Litten
- IV. New Business**
  - A. Director's Update - Fred Castles
  - B. Procurement Policy - Fred Castles
  - C. Election of Officers - Fred Castles
- V. Reports**
  - A. Director's Report - Fred Castles
  - B. Hydrant Report - Fred Castles
  - C. Financial Report - Becky Moon
  - D. Tyler Billing/Finance Software Update - Becky Moon
- VI. Adjourn**

*This agenda is subject to change up to 24 hours in advance of the meeting.*

*Public Comment is limited to three (3) minutes per speaker. Only members of the public who have signed up in advance of the meeting will be allowed to speak.*

# **Chester Metropolitan District**

## **Water Filtration Plant Report October 2018**

- Completed all reports.
- All Emergency generators were ran by Dell Hughes. The emergency diesel engines were also ran and were reported as operating fine.
- Collected 24 Distribution Samples and analyzed for the presences of Coliform Bacteria. All samples were within acceptable range.
- We are currently discharging a Total Chlorine Residual of 2.70 ppm and maintaining an average level throughout the distribution system this month at .85 mg/l.
- On October 11<sup>th</sup>, we had a power outage that lasted about 5 hours. The
- I stated last month that it was 5 flocculator gear boxes that were rebuilt, but Marvin informed me that we needed to finish the rebuild of #2 flocculator gear box. So, we have finished the rebuilding all 4 Flocculator gear boxes and the spare.
- Received the #2 High Service motor back from the rewind shop and Graves Pump Service installed, checked rotation and trimmed the impellor nut.
- #4 Filter Waste valve failed to seat. Replaced rubber seat and resealed around seat ring.
- Replaced #4 Filter chlorine flow meter.
- Replaced the Pre-Clearwell sample pump and repaired the piping on the intake side.
- Repaired the piping on the 2" caustic tank water flow meter.
- Crawford Sprinkler Systems Inc. repaired the backflow preventer on the sprinkle fire system in the chemical building/pump room.
- The sludge removed and sent to the landfill this month was 71.57 tons.

## MONTHLY REPORT

MONTH: **October 2018**

QUANTITIES (million gallons)		PREVIOUS YEAR	PRESENT YEAR
Raw Water		95.639	103.969
Finished Water		90.978	96.979
Peak Day	Raw	3.774	4.097
	Finished	3.331	4.020
Minimum Day	Raw	2.558	2.725
	Finished	2.409	2.452
Average Day	Raw	3.085	3.466
	Finished	2.935	3.233
Total Hours Operated		739.500	713.000
Monthly Load Factor (%)	(Avg. day Plant cap.)	0.990	99%

CHEMICAL COSTS	QTY USED (lb)	@COST PER lb.	TOTAL COST	UNIT COST (Per mil. gal)
	***	***		
Ferric Chloride	133876.00	0.30	\$40,162.80	386.295
Chlorine	5642.00	0.30	\$1,692.60	16.280
Flouride	700.00	0.48	\$336.00	3.232
Corrosion Inhibitor	1586.00	0.62	\$983.32	9.458
Caustic Soda	81563.00	0.28	\$22,837.64	219.658
NACLO2	7862.00	0.57	\$4,481.34	43.103
Polymer (press)	150.00	2.20	\$330.00	3.174
Polymer (plant)	0.00	2.00	\$0.00	0.000
AMMONIA	1683.00	0.80	\$1,346.40	12.950
SUB-TOTAL CHEMICALS	233062.00	7.55	\$72,170.10	694.149

ELECTRICAL COSTS	KILOWATT HRS	TOTAL COST	UNIT COST (Per mil. gal)
Filtration Plant			0.000
Booster Station			0.000
SUB-TOTAL ELECTRICAL		\$0.00	0.000

GRAND TOTAL (Chemicals & Electrical)		\$72,170.10	694.149
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# CMD Engineering Project Progress Report

## November 2018

### Development Project Reviews

**Hampton Inn – Richburg:** We have received a preliminary sketch of the water and meter layout. Comments will be returned to the Engineer in the next week or two.

**Holiday Inn Express:** They are working on the water service.

**Lincolnvill Hydrant:** No change.

**Rocky River Sewer Improvements:** They have been blasting near the water main. We review the blasting plans prior to blasting and review the post-blast seismic data.

**Roseburg:** Meter and vault are installed and inspections completed.

### Cross-Connection Control Program

The website is active and ready for use. We sent letters with passwords and usernames to all the testers that normally submit reports to us. Mail, email, or hand delivered test results will no longer be accepted. All tests must be reported through the website.

### Lime Tank Installation at the Filter Plant

We discussed the comments with DHEC and are currently revising the plans per the comments.

### In-House Projects

**Pressures at Republic Fastener:** We placed the data recorder on the hydrant and discovered there were pressure spikes and drops. We were able to correlate some of these pressure fluctuations to the high service pumps starting up and shutting down at the filter plant. Filter plant staff reviewed the startup and shut down times and increased the delay. We will place the data recorder back on the hydrant to see if the adjustments have made any change. We are also going to install air release valves along the line, as there are currently none installed. Research has shown that air release valves help reduce the effects of water "hammer."

**6" Main Leak in Chester:** The maintenance department discovered a leak at the intersection of Columbia Road and JA Cochran /pass. The leak was discovered by the presence of steam coming from a storm drainage catch basin on a cold morning. The leak was a result of a radial crack in the pipe. The leak volume and pressure were great enough to erode the lead joint and cast-iron pipe, which then eroded a hole through the concrete storm drainage pipe. The leak was estimated at approximately 300 gpm, by measuring the depth in the 30 inch storm drainage pipe. At that rate, the estimated the monthly water loss was almost 13,000,000 gallons. It is unknown how long the leak had been running. We are going to review the next couple months water usage and unaccounted for water to see if we can determine the length of time the leak lasted.

**Non-Functional Hydrant on Columbia St:** The maintenance crew was able to remove the black hydrant on Columbia Street last week. It is estimated the hydrant had been out of service since around 1988 or so.

### GIS Mapping

We are still looking for "lost" assets.

### FlexNet Project (Remote Meter Reading)

To date, 6196 meters have been detected by the antennas and logged to the FlexNet database. We have been able to use the system to perform several leak checks and notify customers of excessive usage detected. Because the meters currently read in 1000-gallon increments, we are only able to detect large amounts of usage. If we convert the meters to read in 1 gallon increments, we'll be able to check for smaller leaks.

We're also able to perform "re-reads" on meters that were not read during the drive-by process. This has saved numerous manhours because staff does not have to go out to the meters and manually read them. We're also able to do preventative maintenance because we can see which meters aren't communicating and we can go check them before bills and readings are due, which allows better manpower planning.

### Office Building Renovation

We received 4 bids, the low bidder was Southern Builders of York County. All the bids were over the encumbered budget, so we negotiated a reduced scope with Southern Builders. We are going to renovate the main office building and the breakroom/bathrooms. The maintenance building and parking lot renovations will be placed on hold until a later date.

#### Unmetered Lines

Omnova has ordered their meter and it is in our warehouse ready for installation.

No further action on the fairgrounds has taken place since sending the letter.

Madon House has their new meter installed and operational.

Footprint is working on getting their meter installed.

#### Fire Hydrant Flushing and Testing

We started testing and flushing hydrants on October 9<sup>th</sup>. They are starting in Fort Lawn and working towards Chester.

# **Chester Metropolitan District**

## ***Procurement Policy***





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# **Article 1**

## **General Information**

### **I. PURPOSE**

This manual was developed as a source for the Chester Metropolitan District (hereinafter, "CMD") employees to become familiar with the policies and procedures for procuring goods and services. The policies provided in this manual were established to ensure uniform procedures for the procurement of materials, supplies, and services that are consistent with the policies of CMD and to maximize the purchasing value of public funds, thus providing safeguards for maintaining a purchasing system of quality and integrity. **The Executive Director, or his designee, shall carry out all established policies. It is at the discretion of the Director, or his designee, to waive or change any purchasing policies, at any time, as they deem in the best interest of the CMD.**

**Nothing in this policy shall be used to negate any state or local procurement requirement, affirmative or otherwise, more stringent than a similar requirement implemented by this policy.**

### **II. AUTHORITY AND SCOPE**

Public purchasing embraces a fundamental obligation to the general public to ensure that procurements are accomplished in accordance with the intent of the laws enacted by the appropriate legislative branch. The intent of the CMD is set forth under Title Six of the South Carolina Code of Laws, specifically §6-11-100.

This policy applies to the purchasing of any materials and supplies, equipment, professional and contractual services, or construction contracts (goods and services) entered into by the CMD as of the effective date of this policy and shall amend, as applicable, all prior purchasing policies of the District.

### **III. DEFINITIONS**

1. **Addenda/Addendum:** Additional requirements, specifications, or instructions to the original Request(s) for Bid(s) and Proposal(s), or Request(s) for Quotation(s). All contents of the addendum are incorporated into the original document.
2. **Appropriation:** An authorization granted by the CMD Board of Commissioners to make expenditures and to incur obligations for specific purposes.
3. **Architectural, Surveying, and Engineering Services:** Contracts performed by private consulting firms as agents of the CMD including feasibility studies, planning, design, testing, and construction administration or management services.
4. **Bidder:** Any person, firm, partnership, corporation, association, or joint venture seeking award of a public contract or subcontract with the CMD.

5. Business: Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
6. Buyer: The Executive Director or his designee responsible for the procurement (either awards the contract, or is designated as the point of contact).
7. CMD: The Chester Metropolitan District
8. Change Order: Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by written and signed mutual agreement of the parties to the contract. **An amendment issued prior to final award is not a Change Order.**
9. Commodity: Tangible goods, wares, and merchandise which are moveable in trade.
10. Contract: A legally binding and signed document, which specifies and defines the performance requirements and expectations for a purchase or project administered by the CMD.
11. Contract Controversy: Generally, a dispute between CMD and a Contractor in regards to the performance or interpretation of a contract.
12. Contractor: The person, firm, partnership, joint venture, corporation, or association who performs a trade or service by agreement of any level with the CMD.
13. Discrimination: An action or series of activities which sets apart or causes disparate treatment of a person or group of persons solely on the basis of their age, gender, ethnic background, race, color, religion, national origin, veteran status, and/or disability. Acts of discrimination are illegal in the performance of projects for the CMD.
14. Encumbrance: Expenditure commitments created by purchase orders that have been issued, but for which no goods or services have been received.
15. Formal Bid: Procedure required for awarding contracts for apparatus, supplies, materials, and equipment by sealed, competitive bid (valued \$10,000 or more). They must be advertised, opened in public, and recorded. Award is made to the lowest responsible bidder(s) taking into consideration quality, performance, and the time specified for performance of the contract.
16. Quote: Procedure used for expenditures of less than \$10,000. Pricing can be obtained.

17. Perfect Performance (also referred to as “Strict” or “Literal” performance in some references and “Perfect Tender” in others): All terms and conditions are performed exactly as specified in the contract documents. Any non-performance issue is resolved per the terms and conditions of the contract prior to its completion. When provided for in the contract, “Perfect” or “Near-Perfect” performance may be required. When this is the case, the performance standards should be made clear and emphasized in the contract documents.
18. Proposer: Refers to any firm that submits a proposal for consideration by the CMD in compliance with the requirements stated in a Requests for Bids and Proposals or Request for Quotation.
19. Purchase Order (PO): Created from a purchase requisition. This is a legal contract document issued by the Executive Director or designee making a purchase to a vendor to order goods and services.
20. Direct Purchase Order (DP): Used for purchase under \$10,000. This is a legal contract document issued by the Department making a purchase to a vendor to order goods or services.
21. Request for Bids and Proposals: Formal procedure for obtaining bids and proposals for apparatus, supplies, materials, and equipment with the formal bid range.
22. Request for Qualifications (RFQ): A formal request for the prospective offerors to provide information only on qualifications, experience, and ability to perform the requirements of the potential contract, leading up to a Request for Proposals and/or Bids.
23. Request for Quotation: Informal procedure for expenditures under \$10,000. Vendors may quote on items in writing, by fax, email, or informal written quotation.
24. Requisition: An electronic request from a CMD department to obtain specific goods or services (valued at \$10,000 or more).
25. Specifications: The parameters, requirements, and instructions that define the exact item or services that is desired and provides the basis for comparing bids. Specifications are generally incorporated into a contract by reference to become the successful bidder’s legal obligations under the contract.
26. Subcontractor: Any persons named by a general contractor, and approved by the CMD to perform work or provide services under a signed contract.
27. Substantial Performance: Exists when the Contractor has performed all material requirements of the entire contract or a divisible portion thereof, such that the underlying

purpose of the contract has not been substantially impaired. Thus, a material breach has not occurred (actual performance of a contract which is so similar to the required performance of the contract that any breach that may have been committed is immaterial).

28. Term Contract: A formal agreement between the CMD and a designated vendor to provide an identified commodity upon request at an established price, and for a specified term.
29. Termination for Cause: An exercise of the CMD's contractual right to completely or partially terminate a contract because of the Contractor's failure to perform its contractual obligations. Generally, contracts are not usually terminated because a Contractor does not completely or perfectly perform (minor non-performance issues remain). Contracts may be Terminated for Cause due to minor non-performance issues when the contract documents expressly require Perfect Performance.
30. Termination for Convenience: An exercise of the CMD's right to terminate or cancel performance of work under contract, in whole or in part, if the CMD determines that termination is in the CMD's best interest.
31. Termination Costs: Costs incurred by a Contractor solely attributable to a contract termination. If allowed by contract, a Contractor may recover such costs when a contract is Terminated for Convenience. Examples would be restocking fees, transportation costs, amortized capital expenditures, etc.
32. Vendor: Individual or company who sells products or services and is usually compensated financially.



## **Article 2**

### **Organization Overview**

#### **I. WHO WE ARE**

Chester Metropolitan District provides potable water service to Chester County. We operate a 7.2 MGD water treatment facility, seven storage tanks and two pump stations with approximately 350 miles of water distribution lines. The CMD Executive Director or his designee is the officer responsible for the acquisition of supplies, equipment, materials, apparatus, central warehouse, and some of the services required by all departments within the CMD.

The Procurement Officer provides services to all CMD departments as requested by departments by planning, organizing, and directing purchasing activities in accordance with federal, state, and local laws governing purchasing.

#### **II. WHERE WE ARE LOCATED**

Chester Metropolitan District  
155 Wylie Street  
Chester, SC 29706  
Telephone: (803) 385-5123  
[www.cmdcsd.com](http://www.cmdcsd.com)

#### **III. RESPONSIBILITIES AND OBJECTIVES**

1. **Responsibilities:** It is the Purchasing Division's responsibility to ensure that all purchases are made in accordance with the established Procedures and Policies of the CMD.

The CMD maintains a central warehouse where a variety of routinely needed materials and supplies can be obtained. The savings in personnel hours, in which this service represents for operating departments, is obvious. Therefore, it is the responsibility of all departments to utilize the inventory of the central warehouse for all items they need. Any such materials that are available in the warehouse must be obtained from the warehouse, and not purchased on the open market.

In addition to purchasing responsibilities, Purchasing also handles the disposal of surplus property.

2. **Objectives:**

- a. To conduct business with integrity, fairness, and dignity so as to maintain public trust and reduce the government's exposure to criticism and legal action.
  - b. To secure the right materials, equipment, and services at the right quality and quantity, on a timely basis, as efficiently as possible, and at the lowest overall cost.
  - c. To conserve public funds by obtaining the best products and services for the dollars spent.
  - d. To provide all customers with quality service in a manner that is courteous, responsive, accessible, and seamless.
  - e. To maintain continuity of supply to support on-going service, operations, and schedules.
  - f. To furnish timely information to management and appropriate departments covering market conditions and trends, and the probable effect on supply and price.
  - g. To assure vendors that impartial and equal treatment is afforded to all who wish to do business with the CMD.
  - h. To secure, whenever possible, competitive prices on purchases.
  - i. To establish specifications which will encourage competition and accurately describe the equipment, materials, and services needed.
  - j. To be receptive to changes in material and requirements on new products and procedures.
3. The overall goal is to maintain at all times a continuous supply of goods and services in support of the CMD's business plan and that of its facilities. Purchasing seeks to identify and acquire supplies at the lowest cost consistent with the desired quality and being environmentally conscious for both the short and long-term interests of the District. Purchasing seeks to leverage its buying power where possible and maintain responsible and ethical relationships with suppliers. Some of these responsibilities include, but are not limited to:
- a. Ensure the timely flow of acceptable goods and services.
  - b. Develop reliable alternate sources of supply and promote competition among suppliers.
  - c. Promote competition among sources of supply fostering better prices, services, and terms.
  - d. Treat all prices and proprietary information submitted by suppliers as confidential.

- e. Comply with all applicable laws, including antitrust laws, without exception.
- f. Conduct purchasing activities with the goal of maximizing the value per dollar spent.
- g. Resolve all complaints relative to purchased goods and services.
- h. Provide leadership, input, and coordination throughout the organization relative to standardization.
- i. Provide support in achieving the CMD's cash flow objectives.

## **Article 3**

### **Ethics in Chester Metropolitan District Contracting**

#### *Ethics Statement*

*"The staff of the Chester Metropolitan District is governed by the highest ideals of honor and integrity in all public and professional relationships in order to merit the respect and inspire the confidence of the Chester Metropolitan District and the public we serve."*

#### **I. ETHICAL CONDUCT**

The CMD believes strongly in the precept of fair and open competition and in maintaining the integrity of the CMD's purchasing and contracting process. It is the responsibility of all employees to work to maintain the reputation of the CMD, to develop and maintain good relations with suppliers and service providers, and to recognize the value and importance of relationships with them.

The guidelines followed by CMD for the standards of purchasing practice as recommended by the National Association of Purchasing Management include but are not limited to:

1. Avoid intent or appearance of unethical or uncompromising practice in relationships, actions, and communications.
2. Demonstrate loyalty to the employer by diligently following the lawful instructions of the CMD, using reasonable care, and only granted authority.
3. Refrain from any private business or professional activity that would create a conflict between personal interest and the interest of the CMD.
4. Refrain from soliciting or accepting money, loans, gifts (other than advertising novelties), entertainment, favors, or services from present or potential suppliers that might influence purchasing decisions.
5. Handle information of a confidential or proprietary nature with care and consideration of ethical standards and legal ramifications.
6. Promote positive supplier relationships through professional and impartial conduct.
7. Refrain from reciprocal agreements that restrain competition.
8. Know and obey the letter and spirit of laws governing purchasing activities.
9. Encourage competition among all potential suppliers, including minority-owned, small, or disadvantaged businesses, and women's business enterprises.
10. Enhance the stature and capabilities of the purchasing function by acquiring and maintaining current technical knowledge and the highest standard of ethical behavior.

## **II. CONFIDENTIALITY**

It is recognized that some of the transactions relating to the purchasing function may contain proprietary information, especially with regard to suppliers. It is considered unethical and illegal, as well as damaging to the CMD's position, to allow proprietary information regarding one supplier to pass to another supplier. Passage of such information is prohibited. All efforts are made to avoid any actual or perceived breach of confidential relationships with suppliers.

## **III. CONFLICT OF INTEREST**

Employees are expected to be free of interests or relationships that are actually or potentially detrimental to the best interest of the CMD and shall not engage or participate in any commercial transactions involving the CMD. This is particularly applicable to employees engaged in purchasing directly.

Any employee who has assumed or will assume a financial or other outside business relationship that might involve a conflict of interest, or the perception of same, must immediately inform the CMD Executive Director of the circumstances involved. This information is to be reviewed at an appropriate level for decision on whether a conflict exists and, if so, what course of action is needed. A conflict of interest could exist when an employee:

1. Has an outside interest that materially impacts the time or attention that should be devoted to the affairs of the CMD.
2. Has a direct or indirect interest in relationship with an outsider that is inherently unethical or might be implied or construed to be, or make possible personal gain due to the employee's ability to influence decisions; render the employee partial toward the outsider for personal reasons or otherwise inhibit the impartiality of the employee's judgment; place the employee or the CMD in an embarrassing or ethically questionable position; or negatively reflect on the integrity of the CMD.
3. Takes personal advantage of an opportunity that properly belongs to the CMD.
4. Uses CMD property without approval.
5. Discloses CMD proprietary information to unauthorized persons.

This list is not inclusive. When in doubt, employees are encouraged to consult with their immediate supervisor or the Executive Director **before** engaging in conduct that could result in a conflict of interest.

## **IV. EQUAL OPPORTUNITY**

1. Anti-Discrimination Policy: The policies of the CMD prohibit discrimination against any person or business in pursuit of business opportunities on the basis of race, color, age, disability, sex, religion, veteran's status or national origin. The CMD will require its Contractors to adopt a like policy. The CMD is committed to assisting small, women-owned, and minority-owned businesses in becoming active vendors with the CMD. The CMD encourages and invites small, women, and/or



minority owned businesses located inside the CMD service district to participate in the CMD's procurement process

**Contractors may be required to maintain an Affirmative Action Program depending on funding sources for the procurement.**

**All Contractors of CMD will be required to confirm any employee working on a project or providing a service for CMD through the federal E-Verify system within five (5) days of the individual's hire or placement on a project for CMD. This is in accordance with the South Carolina Immigration Reform Act.**

2. Fair and Open Competition: The CMD promotes the perception of a fair and open competitive solicitation process, wherever practicable. Restrictive or proprietary specifications are kept to minimal use; and only applied where absolutely necessary to meet technical demands for operational compatibility with existing CMD equipment and or operations for truly unique and cost effective performance applications.

The CMD may contract with persons other than CMD personnel for preparation of specifications. However, no person or entity preparing specifications shall receive any direct or indirect benefit from the utilization of such specifications.

**Article 4**  
**Chester Metropolitan District Purchasing Program**

**I. GENERAL CONDITIONS**

1. It is the policy of the CMD to:
  - a. Provide comprehensive governing of the CMD's purchasing activities, which will instill public confidence.
  - b. Maximize the value of goods and services acquired with public funds.
  - c. Foster competition and ensure equitable and fair access to all potential vendors.
2. The Executive Director or his designee is charged with the management of all CMD purchases.
3. The Executive Director or his designee is the only individual authorized to sign purchase orders or contracts on behalf of the CMD.
4. Every activity covered by this policy imposes an obligation of good faith in its negotiation, performance, and enforcement. "Good Faith" means all activities are conducted honestly and ethically and with the observance of reasonable commercial standards of fair dealing.
5. All goods and services obtained through the use of State or Federal Funds shall be in compliance with applicable state and federal laws and regulations. Whenever this policy is more restrictive than the state or federal laws or regulations, the provisions of this CMD policy shall be followed.
6. Whenever purchasing involves chemicals requiring Safety Data Sheets (SDS), all procedures within the Department/Division Safety Manual shall be followed.
7. All original purchasing documents pertinent to bidding activities shall be retained in official files of the department issuing the purchase order, all invoices associated with the purchase of goods and or service will be retained by the accounting department. All documents must be maintained under provision of the CMD's records retention policy, which is three (3) years after final payment.
8. The Executive Director, has the authority to issue policies governing the procurement and disposal of all goods and services. The Executive Director, or his designee has the authority to approve procurements outside of the Purchasing policy when the Executive Director determines such actions serve a proper public purpose, provided that the procurement selected assures the efficient use of public funds.
9. The CMD does affirm by this policy its commitment to products containing recovered materials and provides District wide guidance for implementing an effective program. The CMD and its policies ensure items composed of recovered material will be purchased to the maximum extent

practicable, and is consistent with the Environmental Protection Agency's (EPA) Federal Procurement Guidelines (Guidelines). CMD will give preference to procuring and using such products containing recovered materials versus products made with virgin materials when:

- a. Such products are available competitively within a reasonable time frame;
- b. Such products meet reasonable performance standards, or
- c. Such products are available at a reasonable price. Recycled products will be purchased containing the percentages of recovered materials (recycled content) indicated in EPA recommended recovered materials minimum content ranges.

## **II. CONTRACT TYPES**

Within the United States, the Uniform Commercial Code of Law (UCC) governs legalities of contract formation. Written confirmation is required to create an enforceable agreement. The law covering written purchasing agreements is known as the Statute of Frauds and is designed to prevent commercial frauds. A written agreement must meet three definite requirements:

1. Evidence of a contract for the sale of goods or services;
2. A signature in any manner that includes an authentication and identifies the party to be charged;
3. Specification of a quantity.

It is for this reason that CMD will require all purchasing activities to be in writing. Contracting methods commonly involve the following documents:

1. Requisition
2. Invitation to Bid
3. Letters of Acknowledgment
4. Purchase Order
5. Blanket Order
6. Formal Contract
7. Request for Proposal

## **III. SOURCE SELECTION**

1. Exemptions: The following goods and services are exempt from the standard purchasing process:
  - a) One of a kind items.
  - b) Published books, maps, periodicals, subscriptions, and technical pamphlets, training/professional development programs.
  - c) Membership fees.

- d) Postage stamps and other delivery fees.
  - e) Tuition reimbursement.
  - f) Conference Registration.
  - g) Public Advertising.
  - h) Safety shoes and prescription safety glasses.
  - i) Existing bids or contracts for like supplies, services, or construction.
  - j) State of S.C. Contracts.
  - k) Supplies/services from other governmental agencies, including public colleges and universities.
  - l) Medicine/drugs.
  - m) State/Federal Surplus.
  - n) Used Equipment/Supplies.
  - o) Equipment maintenance or service agreement with the manufacturer or authorized service agent.
  - p) Executive Director or designee-directed contracts for professional services or employment when the Executive Director or his designee determines that such contract(s) is(are) in the best interest of the CMD.
2. Interest in Real Estate may be acquired or transferred without a bidding process, provided the amount paid or received can be substantiated, on the fair market value or below (in the case of a purchase) of the interest which is subject of the transaction. The CMD Attorney, prior to the execution of the documents, must review all such transactions.
3. **Safety Equipment** will be purchased using Purchasing policies and procedures upon the approval and direction of the Executive Director or his designee.
4. **Emergency Purchases:** The Executive Director or his designee may authorize the Department Heads to make **emergency purchases** when there exists an immediate threat to public health,

welfare, critical economy and efficiency, or safety under emergency conditions, without following this purchasing policy.

5. **Sole Source Purchases:** The Purchasing Agent may purchase goods and services without competition when the Division/Department head certifies in writing, at the time of request, that only a **single** and **sole source** for the goods or services exists and therefore, the competitive process is not appropriate, and that sole source purchasing serves a proper corporate and public purpose.

#### IV. PROFESSIONAL AND CONSTRUCTION SERVICES

The purpose of this policy is to outline the procedure for selecting architectural, engineering and construction management firms to provide professional services to the CMD. Professional services with costs estimates less than \$10,000 will be purchased using quotes as the basis.

It is the policy of the CMD to solicit professional qualifications for services from any and all qualified parties.

##### 1. Procedure

- a. The Executive Director or his Designee may appoint a Project Committee. The Executive Director or designee may designate one committee member as Project Director. The Executive Director or his designee may serve as an ex-officio member of the committee.
- b. The Project Committee may develop a Preliminary Project Description and a Request for Professional Qualifications. The Preliminary Project Description may include:
  - i. Scope of professional services.
  - ii. Project design objectives.
  - iii. Time of performance.
  - iv. Preliminary site information.
  - v. Special conditions or unique factors affecting the project design.

The Request for Professional Qualifications may be published on the CMD website and/or the state website (SCBO), including notification of the availability of the Preliminary Project Descriptions and a specified date by which all proposals must be received.

- c. A Notice of Request for Professional Qualifications may be published on the CMD web site and or the state web site (SCBO) including notification of the availability of the Preliminary Project Descriptions and a specified date by which all proposals must be received.



- d. The Project Committee will review the written Qualifications submitted by all firms. In its review, the Committee will consider all elements of the Request for Professional Qualifications. Following completion of its review, the Project Design Committee will generally select no more than five of the most qualified responding firms. The committee may interview each of the selected firms and select the most qualified by vote of the Committee. The department head will present the Committee's recommendation to the Executive Director, or his designee, who will decide who may negotiate a fee for the Professional work to be done based upon the scope of services. With CMD Management approval, the applicable staff member and/or Executive Director will include a task-man-hour breakdown showing hours per task, hourly rates, overhead, profit, and expenses. In the event that the selected firm and the Committee cannot agree upon the fee and basis for compensation, the Committee shall negotiate with the second rated firm to do the work.

## **2. Requisitions:**

A **Requisition** is an initial document prepared by the user group identifying the desired requirement for a particular good or service.

- a. The Purchasing Agent has the authority to review purchase requests, specifications, and suggested sources.
- b. It shall be the responsibility of the Purchasing Agent to review the specifications of each purchase requisition. This review shall include, but not be limited to:
  - i. Requests for goods of a quality that seem to be greater than desired.
  - ii. Requests for goods of a quality that seem to be less than desired.
  - iii. Requests for material that seems to be inconsistent with the requirement.
  - iv. Requests that do not conform to CMD standards.
  - v. Requests for "sole source" purchases.
  - vi. Requests for "Name Brands."
  - vii. Requests without proper authorization.
- c. Neither the Purchasing Agent nor his designee shall materially alter specifications without prior discussion with the requestor.

## **3. Levels of Authority:**

A system of authorization and approval is an important element of internal control. This approval authority is required on all purchases prior to issuing a firm order or contract.

The following levels of authority are based on the dollar-amount of purchase:

\$0 - \$1,500	-	Department Heads
\$1,500 +	-	Executive Director or Designee

All change orders and contract amendments shall be signed and approved by the Executive Director or his Designee, and by the General Contractor or Sub-Contractor.

The Executive Director or his Designee has the authority to purchase parts necessary to repair vehicles not to exceed \$7,500 when the cost will be absorbed by the department.

#### 4. Invitation to Bid:

An **Invitation to Bid** is a formal request by CMD for goods or services.

- a. The Purchasing Division strives to publish all invitations to bid, requests for proposals, and requests for statements of qualifications online, thereby enhancing the vendors' opportunities to work with the CMD. This information is to be sent to the Purchasing Office in electronic format along with the dates it should be published.

#### **b. Women/Minority Business Enterprises (WMBE Statement)**

It is the policy of the CMD to provide minorities and women equal opportunity for participating in all aspects of the CMD's contracting and procurement programs, including but not limited to employment, construction projects, and lease agreements consistent with the laws of the State of South Carolina.

It is further the policy of the CMD to prohibit discrimination against any person or business in pursuit of these opportunities on the basis of race, color, national origin, religion, sex, age, disability, or veteran status.

It is further the policy of the CMD to conduct its contracting and procurement programs so as to prevent such discrimination and to resolve any and all claims of such discrimination.

- c. CMD will require an invitation to bid for:
  - i. **Construction or repair contracts** estimated to cost more than \$7,500 and the purchase of apparatus, supplies, materials, or equipment for expenditures of \$7,500 or more.
  - ii. **Purchases of Tangible Assets (materials, supplies, equipment, and construction):**
    - 1. **Blanket contracts** will be negotiated by the Purchasing Agent for the frequent and recurring purchase of tangible assets.
    - 2. **Quotations:** All transactions on materials and/or services with an estimated cost of \$7,499 or less and not covered by a contractual

agreement shall be obtained through the use of quotations. Department Heads or designees are responsible for obtaining quotations.

**a) Levels of Quotations:**

\$0-\$2000 Minimum of two telephone/fax, written or e-mail

\$2,000.01 - \$7,499.99 Minimum of two written quotations

\$7,500 - \$9,999.99 Minimum of three written quotations

**b) Definition of a Quotation:** A price that is mailed, faxed or e-mailed that includes the following:

- 1) Company logo or letterhead
- 2) Salesperson's name and signature
- 3) Telephone and fax number
- 4) Itemized price
- 5) Delivery date

d. **Competitive Sealed Proposals (bidding):** All purchases of or contracts for tangible assets of **\$10,000 or greater** shall be purchased by the CMD using the competitive, sealed bidding process, except as otherwise provided in this policy. Purchases through SC State Purchasing do not require a bid. The bid requirements have already been met by the State.

e. **All specifications** shall be drafted so as to assure cost effective procurement for the purposes intended. They shall also encourage competition and shall not be unduly restrictive.

The user department shall prepare, revise, and maintain the specifications for supplies, services, and construction required by their departments with advice, recommendation, and approval of the Purchasing Department.

f. **Brand name** or equal specifications may be used when the CMD makes a written determination that no other design or performance specification or qualified products list is available. The solicitation shall contain explanatory language that the use of a brand name is for the sole purpose of describing the standard of quality, performance, and a characteristic desired and is not intended to limit or restrict competition.

**Brand name or "equal" specification:** A clause that uses one or more manufacturers' brand names or catalog numbers to describe the "best value" needed to win a bid. The Specific features of the Name Brand shall be clearly stated in the bid.

- g. **Public notice** of the invitation for bids shall be given not less than fourteen (14) calendar days prior to the bid opening date. Such notice shall be given through the internet on the CMD's web site and or the State's web site, South Carolina Business Opportunities (SCBO) and published in a newspaper of local circulation.
- h. An invitation for bids shall be issued to at least three qualified vendors when possible, for the particular purchase. **The Invitation for Bids** shall include specifications and all other contractual terms and conditions applicable to the purchase. The Invitation for Bids shall set forth the evaluation criteria to be used. Each department/division shall maintain a vendors list for all purchases.
- i. All bids shall be kept in a secure location and shall remain unopened until the announced time of bid opening. Bids shall be **opened publicly** in the presence of one or more witnesses at the time and the place designated in the Invitation for Bids. The amount of each bid, the name of each bidder, and other relevant information shall be announced and recorded by the Executive Director or his designee. The record and bid tabulation shall be open for public inspection after award of contract.
- j. It is a requirement that all bids have the bid number on the envelope/container/box. Any bid which is unidentifiable shall be disqualified.
- k. Prebid conferences/site visits shall be conducted with potential bidders or offerors when issuing solicitations for complex, large, or critical requirements. Attendance at conferences or site visits may be optional or mandatory and will be specified in the invitation. When mandatory attendance is stipulated, only bids from those firms represented at the conference or site visit will be accepted. If a modification to the solicitation is required as a result of the conference or site visit, an addendum will be issued.
- l. Telegraphic Bids are not acceptable for sealed bids since prices would be exposed prior to the deadline set for the receipt. Telegraphic messages, email or facsimile transmission may be accepted only for the unsealed bids and must be received by the Purchasing Department prior to the date and time specified in the solicitation. The Executive Director maintains the discretion of authorizing facsimile or email bids where the date of the opening of bids will not allow bidders sufficient time to prepare and submit bids on the prescribed forms or when prices are subject to frequent changes.
- m. Any offer may be rejected and rebid if the Executive Director determines in writing that it is unreasonable as to price. This can be accomplished by comparison with previous procurements of the same type goods or service considering economic trends and quantities purchased.
- n. **Bid opening dates** may be changed if the Scope of Work or Bid specifications are altered. Any changes in bid opening date must be made in writing and mailed not less than five (5) days prior to the original bid opening date. If an invitation to bid is cancelled, sealed bids received will be returned unopened.

- o. Bids shall be evaluated on their responsiveness to bid requirements set forth in the Invitation for Bids and bid price. Award of bid other than to the low bidder must be approved by the Executive Director or his designee.
- p. The CMD reserves the right to use value engineering, negotiate with vendors, or reject any or all bids or to waive any informality in the bidding. Bids may be held for a minimum of sixty (60) days from the date of the opening of bids for the purpose of reviewing the bids and investigating the qualifications of bidders, prior to awarding of the contract.
- q. When it is impractical to initially prepare a purchase description to support an award based on price, a **Request for Qualifications** may be issued requesting the submission of unpriced offers to be followed by an invitation for Bids limited to those bidders whose responses have been determined to be technically acceptable.
- r. **Bid and Performance Bonds:** Bid and performance bonds or other securities may be requested for supply contracts or service contracts as the CMD deems advisable to protect the CMD's interest. Any such bonding requirements shall be set forth in the solicitation.
- s. **Bid security:** In an amount equal to at least five percent (5%) of the amount of the bid shall be required for all competitive bidding for construction contracts **exceeding** \$100,000. Bid security authorized to do business in South Carolina, or the equivalent in cash, certified check, cashiers' check, or money order. The CMD, at its option, may require bid bonds on construction contracts under \$100,000 when the circumstances warrant. Noncompliance with this provision mandates that the CMD reject the bid. Bid security will be returned to the unsuccessful bidders upon contract award by the Purchasing Agent. A successful bidder shall forfeit any surety required upon failure on his part to enter into a contract within ten (10) days following the award. He shall also be liable for any costs in excess of his bid price which the CMD incurs in purchasing commodities elsewhere.
- t. When a construction contract is awarded in excess of \$100,000 the following bonds or security shall be delivered by the successful bidder to the CMD and shall become binding on the parties upon the execution of the contract. Bid or performance bonds shall not be used in substitution for the determination of bidder's responsibility and capability.
  - i. A **performance bond** shall be in an amount equal to one hundred percent (100%) of the contract amount; and
  - ii. A **payment bond** for the protection of all persons supplying labor and material to the contract or is subcontractors for the performance of the work shall be in an amount equal to one hundred percent (100%) of the contract amount. The CMD, with direction of the Executive Director, or his designee is authorized to reduce the amount of performance and payment bonds when such action is in the CMD's best interest.
- u. When two or more vendors are tied in price and/or value, while otherwise meeting all required terms and conditions of the Invitation for Bids, the CMD shall award the contract as described below to recognize **local preference**.



- i. If there is an in-service area vendor tied with an out-of-service area vendor, the award shall go to the in-service vendor.
- ii. If there is an in-county vendor tied with an out-of county vendor, the award shall go to the in-county vendor.
- iii. If there is an in-state vendor tied with an out-of state vendor, the award shall go to the in-state vendor.
- iv. The bids shall otherwise be awarded based upon the first bid received by the requesting division.
- v. Where multiple sources are solicited but only one response is received, Purchasing must investigate why other bidders did not respond and make a determination whether to recommend the award or to reject the bid or offer and re-solicit. In addition, prior to award, Purchasing must make a written determination that the price is fair and reasonable.
- w. Unless there is a compelling reason to reject one or more bids, award will be made to the lowest responsible and responsive bidder with other provisions listed under "award". Every effort should be made to anticipate changes in a requirement prior to the date of opening and notify all prospective bidders of any resulting modification or cancellation thereby permitting bidders to change their bids and preventing unnecessary exposure of bid prices.
- x. Any bid which does not conform to the specification and the delivery requirements in accordance with the bid may be rejected unless the invitation specifically authorized the submission of alternate bids and the offered alternatives meet the requirements.

**5. Letters of Acknowledgement:** A **Letter of Acknowledgement** represents a confirmation provided by the supplier as to the terms agreed upon by both parties. This will be required following the award of the bid.

The Executive Director or his Designee shall make the award of bid. The award letter shall be issued by the Executive Director or his signee to the lowest responsible and responsive bidder meeting the requirements set forth in the Invitation for Bids.

**6. Purchase Orders:** A **Purchase Order** is a legal document governed by the Uniform Commercial Code of Law (UCC) and will be used by all authorized employees for purchases. The Purchase Order constitutes a final and entire agreement between the supplier and the CMD. As a legal contract, the Purchase Order gives the vendor the authority to ship and to invoice, thereby committing the CMD to the value of the goods or services purchased. Purchase Orders must be written so that they are concise and clear. This will prevent unnecessary misunderstandings and correspondence with the vendor.

- a. Once the Purchase Order is issued, all funds for that purchase order become encumbered funds.

- b. Purchase Orders less than \$1,500 can be approved by the Department Head or Designee. For Purchase Orders of \$1,500 or more, a requisition must be generated from the using department and sent to the Purchasing Agent and Bookkeeper for Purchase Order generation. The Executive Director or his Designee must provide approval when necessary.
  - c. The Executive Director or his Designee directs the purchase of all requested goods and services and directs the trade, sale, or disposal of surplus supplies and equipment.
  - d. The Executive Director or his Designee may administer a **Cooperative Purchasing Agreement** for the purchase of goods and services with one or more governmental entities by entering into an intergovernmental agreement. The purchasing laws, ordinances, and policies of each entity will be considered in the formation of the intergovernmental agreement.
  - e. Whenever the CMD enters into an **Intergovernmental Agreement** for a joint project with the federal or state government, or with another governmental entity including, but not limited to, a county, regional council, special purpose district, and/or special tax district, the procedures of such state public entity may be used in lieu of the CMD's own procedures.
  - f. Purchase Orders issued without specific negotiations on the particular transaction will contain language within the document stating that the CMD will not be bound by subsequent order acknowledgements issued by the supplier that change the normal and unusual condition that would attach to the order.
7. **Blanket Orders** are Purchase Orders that typically stipulate a specific volume of a given product or service for delivery during a specified period of time. This type of document is implemented through a series of releases against that Purchase Order number. Blanket Orders are normally used to contractually stipulate pricing over a fixed period or to implement a contract with minimum paperwork.
8. **Contracts/Formal Documents:** A **Contract** is a bilateral agreement entered into by the buyer and the seller. For a contract to be legal and enforceable, both an offer and acceptance, in identical terms, are required.

**Formal Contracts** are typically established for products that are used in large volumes with some degree of predictability. The primary objectives for this type of contract are to assure supply, leverage the CMD's buying power, and minimize inventories by scheduling deliveries to coincide with needs.

The purpose of contract negotiation is to bring into existence a contract that is clear, concise, complete, and in the best interest of all parties to the agreement. It is in this spirit that the CMD will enter into negotiations. Contract negotiations are conducted prior to final award and, as such, prudence and good judgment must be exercised during this process.

All contractual documents concerning the purchase of materials and/or services must clearly state the legal jurisdiction and the points of delivery and acceptance of the materials and/or services by the CMD.

- a. Any type of contract that promotes the best interest of the CMD may be used. However, a **cost-reimbursement contract** or a **cost-plus-a-percentage-of-cost contract** may be used only when a written determination is prepared showing that such a contract is likely to be less costly to the CMD than any other type or that it is impractical to obtain the supplies, services, or construction required except under such a contract.
- b. Contracts shall be negotiated by the Executive Director or his designee. Final approval of all contracts or amendments rests with the Executive Director, his designee, or the Board of Commissioners.
- c. The CMD policy relating to settling and resolving a protest by an actual aggrieved bidder or contractor concerning award, or any amendment thereto, shall be adhered to.

Contractors and professional service providers contracted by the CMD shall be required to provide a **Certificate of Insurance** with limits acceptable to and approved by the CMD Board of Commissioners. Separate endorsements shall be required, naming the CMD as additional insured, for liability insurance and providing a waiver of subrogation for Worker's Compensation Insurance. At any time, if insurance as required by the CMD is cancelled, then all work shall cease until insurance acceptable to the CMD is once again provided. The Executive Director or his Designee may for good cause waive the Certificate of Insurance for professional services, but only when the lack of such coverage will have no significant impact upon the CMD.

Any company or person conducting business with, or on behalf of the CMD shall obtain a **business license** in compliance with the applicable county or municipal Code of Ordinances listed below.

**Definition**

*"Business" means a calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, either directly or indirectly. A charitable organization shall be deemed a business unless the entire proceeds of its operation are devoted to charitable purposes.*

9. **Request for Proposal:** A **Request for Proposal** is a formal request for the vendor to supply a proposal to design, or to supply goods or services.
  - a. **Request for Qualifications:** The Departments/Divisions may issue a RFQ to prospective offerors leading up to the issuance of an RFP. The RFQ may require information only on qualifications, experience, and ability to perform the requirements of the contract. Such request could contain, as a minimum, a description of goods or services to be solicited by the RFP, the general scope of the work, the deadline for submission of information, and how prospective offerors may apply for consideration.
  - b. After receipt of the responses to the RFQ from the prospective offerors, the prospective offerors shall be ranked from the most qualified to least qualified on the basis of the information provided. Proposals in the form of RFP shall be solicited from normally the top three but under no circumstances less than the top two prospective offerors to be selected to receive the RFP. The RFP shall not be viewed by the CMD as grounds for protest from the prospective offerors.

- c. An Evaluation Committee will be established in order to review and evaluate all proposals submitted in response to the RFP. The committee shall conduct a preliminary evaluation of all responsive proposals. Based on the results of this preliminary evaluation, the highest rated offerors may be invited by the Purchasing Department to make oral presentations to the committee. Expenses incurred by the offeror that is associated with the oral presentation will be the sole responsibility of the offeror. This committee will then conduct a final evaluation of the offerors. The Purchasing Department will then negotiate a proposed contract with the highest qualified offeror. At the time the proposed contract is negotiated, the offeror and the committee may negotiate any changes desired in the RFP if deemed in the best interest in CMD. If a satisfactory proposed contract cannot be negotiated with the highest qualified offeror, negotiations will be formally terminated. Negotiations shall then be undertaken with the second most qualified offeror and so on. The Committee will make appropriate recommendation to the Executive Director prior to actual award of the contract. In evaluating the proposals, the CMD reserves the right to accept or reject all or any part of any proposal, waive minor technicalities, and award the contract to the offeror deemed to best serve the interests of the CMD; and adopt any part or all of a proposal if it is judged in the best interest of the CMD.
- d. The CMD intends to award a contract resulting from this RFP to the responsive and responsible offeror whose proposal is determined to be the most advantageous to the CMD, after taking into consideration price and other evaluation factors set forth herein; however, the right is specifically reserved to reject any and all proposals. CMD shall be the sole judge of whether or not a proposal meets the requirements of the RFP.
- e. Proposals will be reviewed and evaluated by the Evaluation Committee based upon the evaluation factors, in addition to price, listed below:
  - i. Organizational Experience and Capabilities
    - a) Background, experience and qualifications
    - b) Financial Stability
    - c) Organizational Management
    - d) Personnel Qualifications
  - ii. Technical Quality of Proposal
    - a) General approach and understanding of the project
  - iii. References
  - iv. Price Factor (to be computed by Purchasing Department)
- f. Adequate public notice of the RFQ shall be given in the manner as provided for the issuance of an RFP.
- g. An Invitation for Bids, a Request for Proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part when it is in the best

interest of the CMD, and documentation supporting the reason(s) for rejection shall be made a part of the solicitation file.

#### 10. **Protest Procedure**

- a. **Time of Protest:** Any actual bidder or contractor who is aggrieved in connection with the intended award or award of a contract shall have the right to protest to the Executive Director or his designee in the manner stated under Subsection "b" of this section within ten (10) calendar days of the date of notification of the award posted in accordance with this policy.
- b. **Protest Form:** A protest shall be in writing, submitted to the Executive Director or his designee, as stated above, and shall set forth the grounds of protest and relief requested with enough particularity to give notice of the issue to be decided.
- c. **Authority to Resolve Protest:** The Executive Director or his designee in coordination with, and under the advisement of the CMD Attorney, shall have authority, prior to the commencement of an action in Court concerning the controversy, to settle and resolve a protest by an actual aggrieved bidder, offeror, or a contractor concerning the award of a contract.
- d. **Decision:** If the protest is not resolved by mutual agreement, the Executive Director or his designee in coordination with the CMD Attorney shall issue a decision in writing within ten (10) days after receipt of the protest. The decision shall state the reasons for the decision and action taken.
- e. **Notice of Decision:** A copy of the decision under Subsection "d" of this section shall be mailed or otherwise furnished immediately to the protestant and any other intervening party.
- f. **Failure to Render Timely Decision:** If the Executive Director or his designee does not issue the written decision required under Subsection "d" of this Section within a reasonable time after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the aggrieved contractor shall proceed as if an adverse decision has been received.
- g. **Finality of Decision:** A decision under Subsection "d" or "f" of this section shall be final and conclusive.

## Chester Metropolitan District

### Director's Report

FY 2018-2019

	October 2018	TOTAL L 12 MOS	AVERAGE L 12 MOS
<b>DISTRIBUTION NUMBER:</b>			
Taps	3	22	1.8
Leaks	30	269	22.4
<b>DISTRIBUTION MANHOURS:</b>			
Taps	39.0	414	34.5
Leaks	79.5	1,871	155.9
Equipment	0.0	-	-
Shop	392.0	3,174	264.5
Dist. System	619.5	7,931	660.9
Asphalt	0.0	483	40.2
Meters	577.0	3,695	307.9
Filter Plant	0.0	71	5.9
Hydrants	34.0	237	19.8
Construction Projects	0.0	868	72.3
Main Break	277.5	1,822	151.8
Total Manhours	2018.5	20,564	1,713.6
Overtime Hours	174.75	1,660	150.9
<b>METER CALLS:</b>			
Ons	60	835	75.9
Offs	58	796	72.4
Checks	16	1,118	101.6
Total Calls	134	2,749	229.1
Overtime Hours	55.0	533.8	48.5
<b>BILLING INFORMATION:</b>			
Non-Leak Adjustments:	1	131	10.9
Leak Adjustments	30	585	48.8
\$\$\$ Adjusted	\$ 1,390.73	\$ 45,460.20	\$ 3,788.35
Bills Mailed	6,352	73,495.0	6,124.6
Thousand Gallons Billed	64,149.0	788,128.4	65,677.4
Thousand Gallons Pumped	96,979.0	1,224,207.0	102,017.3
% Accounted For	66.1%		64.6%
Other Gallons Accounted For	23,504.9	65,825.4	5,485.5
Estimated System Leakage (20%)	19,395.8	244,841.4	20,403.5
Adjusted % Accounted For	90.4%		71.7%



## Chester Metropolitan District

### Hydrant Report

November 14, 2018

<u>0</u>	New Placement
<u>0</u>	Hydrants Replaced
<u>4</u>	Hydrants Repaired
<u>0</u>	Hydrants Removed

<u>\$840</u>	\$ Spent on Hydrant Work
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<u>5517</u>	Total Hydrants Worked to Date
<u>\$ 1,206,647</u>	Total Cost to Date
<u>- 0 -</u>	Local Match
<u>- 0 -</u>	Contract Services
<u>\$ 1,206,647</u>	Total Cost

- \* Repair: Parkway & Saluda Street
- \* Repair: Edgeland Road -- Bojangles (RB)
- \* Repair: Maple & Willowbrook (FL)
- \* Repair: W. Lancaster Road (RB)



# Chester Metropolitan District

## Income Statement

*Year-to-Date Variance, October 2018 - 1 month back, Consolidated by account*

	<i>4 Months Ended October 31, 2018</i>	<i>4 Months Ended October 31, 2018 Budget</i>	<i>Variance Fav/&lt;Unf&gt;</i>	<i>% Var</i>
OPERATING REVENUE				
Res. & Com. Water Service	1,233,949.23	6,345,363.00	(5,111,413.77)	-80.6 %
Industrial Meter Water Service	547,631.37	0.00	547,631.37	
Residual Management Fees	78,576.35	0.00	78,576.35	
Penalties	27,243.00	74,000.00	(46,757.00)	-63.2 %
Taps/Exts./Inst. Fees	66,893.18	450,684.00	(383,790.82)	-85.2 %
Billing/Collection/Admin Fees	74,000.72	223,500.00	(149,499.28)	-66.9 %
Miscellaneous	112,418.74	108,000.00	4,418.74	4.1 %
TOTAL OPERATING REVENUE	2,140,712.59	7,201,547.00	(5,060,834.41)	-70.3 %
NET INCOME FROM OPERATIONS	2,140,712.59	7,201,547.00	(5,060,834.41)	-70.3 %
GROSS PROFIT	2,140,712.59	7,201,547.00	(5,060,834.41)	-70.3 %
OPERATING EXPENSES				
Admin & General Exp	312,608.25	1,202,247.00	889,638.75	74.0 %
Filter Plant	544,274.60	1,600,881.00	1,056,606.40	66.0 %
Sludge Operations	4,860.07	0.00	(4,860.07)	
Distribution - Chester	397,227.32	1,547,261.00	1,150,033.68	74.3 %
Distribution - Great Falls	(0.01)	0.00	0.01	
Meter Dept.	66,419.17	432,192.00	365,772.83	84.6 %
Engineering	85,840.94	272,528.00	186,687.06	68.5 %
Depreciation	0.00	170,299.00	170,299.00	100.0 %
Wiley Street Bld Renovation (bond)	47,323.15	889,162.69	841,839.54	94.7 %
MIS	44,657.26	215,479.00	170,821.74	79.3 %
Human Resources	163,955.26	605,851.00	441,895.74	72.9 %
Capital Budget - non cap	19,189.57	450,684.00	431,494.43	95.7 %
TOTAL OPERATING EXPENSES	1,686,355.58	7,386,584.69	5,700,229.11	77.2 %
OPERATING GAIN / LOSS	454,357.01	(185,037.69)	639,394.70	345.5 %
OTHER REVENUE / EXPENSE				
Interest Income	21,631.15	20,000.00	1,631.15	8.2 %
Unrealized Gain / Loss	(1,618.00)	0.00	(1,618.00)	
Special Revenue Funds	(163,257.31)	(147,000.00)	(16,257.31)	-11.1 %
Debt Service	16,427.08	(380,000.00)	396,427.08	104.3 %



	<i>4 Months Ended October 31, 2018</i>	<i>4 Months Ended October 31, 2018 Budget</i>	<i>Variance Fav/&lt;Unf&gt;</i>	<i>% Var</i>
Debt Service Interest expense	0.00	(197,125.00)	197,125.00	100.0 %
TOTAL OTHER REVENUE / EXPENSE	(126,817.08)	(704,125.00)	577,307.92	82.0 %
	327,539.93	(889,162.69)	1,216,702.62	136.8 %
TOTAL GAIN / LOSS	327,539.93	(889,162.69)	1,216,702.62	136.8 %