

CHAPTER 4. FINANCIAL PROVISIONS

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4.010 Establishment of Funds.

- (a) Each of the following funds is established:
 - (1) Bond Fund
 - (2) State Small Communities Assistance Account
 - (3) Maintenance Fund
 - (4) Hillside Maintenance Zone Reserve Account
 - (5) Trust Fund
 - (6) Natural Disaster Assistance Account
 - (7) Storm Drainage Zone Reserve Account
- (b) The board may establish such other funds by resolution as it considers necessary or convenient.

NOTE: West Valley Sanitation District funds are provided for in Health and Safety Code Sections 4792, 4813, and 4816, and in Streets and Highways Code Section 10424.

(Adopted by Ord. 46, July 23, 1975; Amended by Ord. 100, July 13, 1988; Amended by Ord. 106, August 22, 1990; Amended by Ord. 115, May 27, 1992)

4.020 Bond Funds.

- (a) Money to be deposited in the several bond funds of the district consist of the following:
 - (1) taxes levied for payment of principal and interest of bonds issued by the district; and
 - (2) other money which the Board directs to be deposited.
- (b) These funds may be used only for payment of principal and interest of the bonds issued by the district.

NOTE: This fund is regulated by Sections 4810 and 4814 of the Health and Safety Code.

(Adopted by Ord. 46, July 23, 1975)

4.030 State Small Communities Assistance Account.

- (a) Money to be deposited in the State Small Communities Assistance Account of the district shall consist of the following:
 - (1) Grant funds from the State Water Resources Control Board related to Agreement No. 7-181-550-0.
 - (2) Funds received from the Lake Canyon Community for the Beardsley Creek Pollution Study.

- (3) Other money which the Board directs to be deposited.
- (b) This fund may be used only for the pollution study to document the existence of public health hazard and water quality impacts related to current sewage disposal practices on Beardsley Creek tributary to Lexington Reservoir.

(Adopted by Ord. 100, July 13, 1988)

4.040 Maintenance Fund.

- (a) Money to be deposited in the maintenance fund of the district shall consist of the following:
 - (1) taxes levied for maintenance and operation of the district;
 - (2) revenue from sewer service and use charges; and
 - (3) other money which the Board directs to be deposited.
- (b) This fund may be used only to maintain, operate, extend, or repair any work or improvements of the district for the collection, treatment and disposal of sewage and to defray all other expenses incidental to the exercise of any of the district powers relating thereto.

NOTE: This fund is regulated by Sections 4815 and 4816 of the Health and Safety Code.

(Adopted by Ord. 46, July 23, 1975)

4.050 Hillside Maintenance Zone Reserve Account.

- (a) Money to be deposited in the Hillside Maintenance Zone Reserve Account of the district shall consist of the following:
 - (1) Funds from the Hillside Reserve Account Fee collected from all connectors within the Hillside Zone as defined by District Ordinance Code Section 10.110;
 - (2) Other money which the board directs to be deposited.
- (b) This fund may be used only for the repairs to sewer lines within the Hillside Zone necessitated by natural occurrences such as land movement or erosion.

(Adopted by Ord. 46, July 23, 1975; Amended by Ord. 106, August 22, 1990)

4.060 Trust Fund.

- (a) Money to be deposited in the trust fund of the district shall consist of the following:

- (1) deposits assuring payment for services provided by district;
 - (2) cash bonds assuring installation of sewers; and
 - (3) other money which the Board directs to be deposited.
- (b) This fund may be used only for reimbursement of persons depositing money with the district, reimbursement for sewer installations, and payment to district for services provided and secured by deposits.

(Adopted by Ord. 46, July 23, 1975; Amended by Ord. 111, June 12, 1991)

4.070 Natural Disaster Assistance Account.

- (a) Money to be deposited in the Natural Disaster Assistance Account of the district shall consist of the following:
- (1) Funds from the Federal Emergency Management Agency
 - (2) Funds from the State of California Office of Emergency Services.
 - (3) Other money which the Board directs to be deposited.
- (b) This fund may be used only for the repairs to lines damaged in the October 17, 1989, earthquake as documented on the application for emergency service relief monies.

(Adopted by Ord. 106, August 22, 1990)

4.080 Storm Drainage Zone Reserve Account

- (a) Money to be deposited in the Storm Drainage Zone Reserve Account of the District shall consist of the following:
- (1) Funds from the Storm Drainage Service Charge Account collected from all properties within the Storm Drainage Zones as defined by District Ordinance Code Section 10.115; and
 - (2) Other money which the Board directs to be deposited.
- (b) This Account may be used only for the maintenance and operation of the district's storm drainage management program within the Storm Drainage Zones as set forth in Chapter 8 of the Ordinance Code.

(Adopted by Ord. 115, May 27, 1992)

4.100 Adoption of the Sales System. In order to establish efficient procedures for the sale of surplus supplies and equipment at the highest possible return, to exercise positive financial control over such sales, and to define clearly the authority for the administration of these functions, a Surplus Sales System is adopted.

(Adopted by Ord. 82, March 9, 1983)

4.110 Surplus Sales Officer. The District Manager and Engineer or appointee shall be and is appointed to perform the functions of the Surplus Sales Officer for the district and shall have the responsibility and authority to:

- (1) Sell surplus supplies and equipment as may be required by the district in accordance with procedures prescribed either by this Chapter, or by such administrative rules and regulations as the Surplus Sales Officer may adopt pursuant thereto;
- (2) Prepare and adopt administrative rules and regulations not in conflict with the provisions of this Chapter for the purpose of carrying out the requirements and intent of this surplus sales system.

(Adopted by Ord. 82, March 9, 1983)

4.120 Centralized Sales. To the extent that efficiency and fairness may best be achieved in the sales of surplus supplies and equipment of the district, the acceptance of all bids and the sales of all district surplus supplies and equipment shall be centralized under the Surplus Sales Officer.

(Adopted by Ord. 82, March 9, 1983)

4.130 Notice of Surplus Status. All departments of the district shall notify the Surplus Sales Officer whenever it is determined that such department has surplus supplies or equipment which should be sold. Said notification shall be a prerequisite to the sale of any surplus supplies and equipment.

(Adopted by Ord. 82, March 9, 1983)

4.140 Surplus by Auction Only.

- (1) Sales of surplus supplies and equipment, which, in the opinion of the Surplus Sales Officer, have an estimated individual value of one thousand dollars or more, shall be made only by means of public auctions held under the authority and scrutiny of the Surplus Sales Officer.

(2) All such auction sales shall be with reserve, and the Surplus Sales Officer can withdraw the surplus items at any time prior to the completion of the sale.

(Adopted by Ord. 82, March 9, 1983)

4.150 Bidding and Payment. All sales of surplus supplies and equipment made by public auction, as set forth in Section 4.140, shall be to the highest bidder pursuant to the procedure hereinafter described:

- (1) Notices inviting bids shall be prepared, published once in a newspaper of general circulation published and circulated within the district, and distributed to persons who have requested to be notified of such bidding opportunities. The notices shall contain a description of the items to be auctioned, shall state where and when the items may be viewed prior to the auction, and shall state the time and place of the auction.
- (2) A 20% deposit must be made by the successful bidder. All sales must be completed within one week of the auction, and payment may be made only by cash, certified check, cashier's check or money order.
- (3) On refusal or failure of the successful bidder to complete the sale as prescribed above, the sale may be made to the next highest bidder, and the 20% deposit forfeited.

(Adopted by Ord. 82, March 9, 1983)

4.160 Open Market Sales. Surplus supplies and equipment may be sold on the open market by the Surplus Sales Officer without regard to formal bidding procedures set forth in Section 4.150 when, in his or her opinion, the individual estimated value of the supplies or equipment is less than one thousand dollars; provided, however, that whenever practical, price offers shall be solicited either orally or in writing and the sale made to the highest responsible bidder.

(Adopted by Ord. 82, March 9, 1983)

4.170 Sales to Other Public Agencies. There are excepted from the provisions of this chapter sales of surplus supplies and equipment to any other public agency created under the laws of the state or of the United States government.

(Adopted by Ord. 82, March 9, 1983)

4.180 Sales of Officials, Officers, and Employees of the District. Officials, officers, and employees, when not otherwise prohibited by law, may purchase surplus supplies and equipment offered for sale under the provisions of this chapter; except that no purchase may be made by the employee performing the functions of Surplus Sales Officer. However, said purchases may only be made at public auction, unless otherwise authorized by the Board of Directors.

(Adopted by Ord. 82, March 9, 1983)

4.190 Contracting for Public Works. The letting of all contracts for public works by the District shall be governed by the provisions of section 20780, et seq., of the California Public Contracts Code. Notwithstanding the provisions of section 20783, all contracts for public works in excess of \$30,000 shall be approved by the Board of Directors.

(Adopted by Ord. 121, April 27, 1994; Amended by Ord. 128, August 25, 1999; Amended by Ord. 134, October 10, 2007)

4.200 Purchases of Supplies, Equipment, and Services – Authority. The District Manager/ Engineer is vested with the authority for the purchases of supplies, equipment, and services, and shall have the responsibility and authority to:

1) Purchase or contract for supplies, equipment, and services to be performed as may be required by any department of the District in accordance with procedures described in this chapter or by such administrative rules and regulations as he or she may adopt pursuant thereto.

2) Prepare and adopt administrative rules and regulations not in conflict with provisions of this chapter, for the purpose of carrying out the requirement and intent of this chapter.

(Adopted by Ord. 121, April 27, 1994)

4.210 Board Approval of Purchases. In instances where the acquisition of supplies, equipment, or services other than public works contracts will result in an award of a contract or the issuance of a purchase order with a dollar value equal to or in excess of \$30,000, such award of contract or issuance of purchase order will be authorized only upon action taken by the Board of Directors.

Such action shall be taken through the formal competitive bidding procedure utilized for public works projects as set forth in Section 20783 of the Public Works Contract Code, or, pursuant to the recommendation of the District Manager/Engineer when the use of the bidding procedure is

not practicable due to limitations on the source of supply, necessary standardization, quality considerations, or if other valid reasons for waiving the competitive bidding procedures appear.

Notwithstanding the provisions of this section, the District Manager/Engineer shall be authorized to award a contract or to issue a purchase order without regard to the dollar value described above in the following instances:

1) Emergency purchases

The immediate requirement of an item necessary for the continued operation of a department or for the preservation of life or property shall be deemed to be an emergency. A full report of the circumstances of emergency purchases in excess of the required dollar value described above shall be filed with the District Board at its next regular meeting.

2) Recurring Costs

Where reasonable advance estimates of cost are not possible or for the essential services of a recurring nature. Included, but not limited to, this authorization are such items as utility service for telephone, water, electricity and gas, approved claims for liability under the District's insurance program, renewal premium for authorized insurance policies, all expenditures for the District's payroll and employee withholdings, and other related or unrelated matters involving unknown advance cost estimates.

(Adopted by Ord. 121, April 27, 1994; Amended by Ord. 128, August 25, 1999; Amended by Ord. 134, October 10, 2007)

4.220 Exemption of Purchase from or through Other Public Agencies. Purchases of supplies, equipment and services from any other local, state, or federal agency or through the State Department of General Services pursuant to Section 54205 of the California Government Code are exempt from the bidding requirements of this chapter; however any such purchase must be authorized by the District Board.

(Adopted by Ord. 121, April 27, 1994)