

Loxahatchee River District

Water Reclamation | Environmental Education | River Restoration


2500 Jupiter Park Drive, Jupiter, Florida 33458-8964

Telephone (561) 747-5700 • Fax (561) 747-9929 • www.loxahatcheeriver.org



D. Albrey Arrington, Ph.D., Executive Director

MEMORANDUM

TO: GOVERNING BOARD
FROM: D. ALBREY ARRINGTON, Ph.D. 
DATE: APRIL 12, 2016
SUBJECT: PROCUREMENT POLICY

District staff relies on our Purchasing Policy for guidance and direction when purchasing goods, supplies, and services. Recently, your staff has been evaluating options to improve the process by which we approve change orders. Staff have reviewed a large selection of change order policies from numerous agencies, and below we offer a proposed policy revision designed to improve our process.

Existing Policy:

1. Purchase Order and/or contract executed for \leq \$35,000.
 - a. If proposed change order cost plus original cost is \leq \$35,000, then the Executive Director has the authority to authorize the change order.
 - b. If proposed change order cost plus original cost is $>$ \$35,000, then Board approval is necessary to authorize the change order. *Board approval is often obtained after the fact due to critical timing issue and/or cost implications of delaying the work.*
2. Purchase Order and/or contract executed for $>$ \$35,000.
 - a. If proposed change order cost is \leq Board approved contingency amount, then the Executive Director has the authority to authorize the change order.
 - b. If proposed change order cost is $>$ Board approved contingency amount, then Board approval is necessary to authorize the change order. *Board approval is often obtained after the fact due to critical timing issue and/or cost implications of delaying the work.*

Proposed Policy Change:

For time-sensitive change orders requiring Board approval, District staff proposes revising our Procurement Policy to include the following:

1. The proposed Change Order and supporting documentation will be emailed to individual Board members at the earliest reasonable opportunity.
2. Board members will individually review the proposed Change Order.
 - a. If any Board member believes the Change Order needs public discussion prior to approval and/or believes the Change Order should not be executed as presented, then that Board member will inform the Executive Director as such via email. The Change Order will not be executed until it is presented for consideration by the Board at their next regularly scheduled public meeting. If the Change Order is an urgent matter, a Special Meeting may be called.
 - b. If no Board member indicates the Change Order needs public discussion and/or believes the Change Order should not be executed as presented, then the Executive Director will execute the Change Order, and present the Change Order and supporting documentation to the Board on the consent agenda at their next regularly scheduled public meeting.

No action is needed at this time. However, I would appreciate constructive feedback regarding the proposed revision and/or alternatives. These changes will be formally considered at your May meeting.

F:\Albrey\Board Memos\2016-Apr_Procurement-Policy.docx

Stephen B. Rockoff
Board Member

Dr. Matt H. Rostock
Board Member

Gordon M. Boggie
Chairman

Harvey M. Silverman
Board Member

James D. Snyder
Board Member