

**SAN DIEGO COMMUNITY POWER**  
**Staff Report – Item 3**

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To: San Diego Community Power Board of Directors

From: Cody Hooven, SDCP Interim Executive Officer  
Director/Chief Sustainability Officer, City of San Diego

Subject: Approve Resolution Adopting a Delegated Contract Authority Policy

Date: February 27, 2020

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**Recommendation**

Approve Resolution of the Board of Directors of San Diego Community Power adopting a delegated contract authority policy for administrative contracting purposes.

**Background**

Section 4.6.6 of the SDCP Joint Powers Authority (JPA) Agreement provides that the Board may adopt policies for procuring “operational needs such as professional services, equipment and/or supplies.” Section 4.6 of the JPA Agreement further provides that the Chief Executive Officer (CEO) may enter into and execute contracts in accordance with the criteria and policies established by the Board.

**Analysis and Discussion**

As mentioned above, the JPA Agreement allows the Board to delegate certain contracting authority to the CEO, including for operational needs, such as professional services, equipment, and supplies.

Delegating contracting authority to the CEO and other SDCP staff can save time and resources as services are brought onboard that are important to the successful operation of SDCP.

The proposed policy would allow the CEO to execute contracts of up to \$125,000 for non-energy goods and services on behalf of SDCP. Contracts in excess of this amount would require Board approval. In addition, contracts executed by the CEO in excess of \$50,000 would be reported to the Board at a subsequent meeting.

The delegated amount of \$125,000 is consistent with the delegated contracting authority for the Clean Power Alliance in Los Angeles and Ventura counties. In exercising delegated contracting authority, SDCP staff would be required to comply with all legal requirements in awarding contracts, including State law and future policies adopted by the SDCP Board concerning procurement methods. In addition, prior to signing contracts, SDCP staff would be required to ensure: (1) there is sufficient money in SDCP’s budget for such purpose;

(2) adequate funds have been appropriated by the Board; (3) there are unexpended funds available; and (4) the contract has been reviewed and approved as to form by General Counsel.

Staff recommends that the Board approve the attached resolution adopting a delegated contract authority policy.

**Fiscal Impact**

There is no cost associated with this item.

**Attachments:**

Attachment A: Resolution of the Board of Directors of San Diego Community Power Adopting a Delegated Contract Authority Policy

Attachment B: SDCP Delegated Contract Authority Policy