

OPERATING POLICIES AND PROCEDURES

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1-1.001 General.

1. District Purpose. The Sunrise Lakes Phase 4 Recreation District (the "District") is an independent special district of the State of Florida created pursuant to Chapter 418, Florida Statutes (the "Act"), Ordinance No. 429 enacted by the City of Sunrise, Florida on April 26, 1994 (the "Charter"), a referendum of the qualified electors of the District and other applicable law. The purpose of the District is to finance, acquire, plan, improve, own, operate, equip, maintain and manage recreational facilities within the District , as more fully set forth in, and subject to the provisions of, the Act and the Charter.

2. District Location. The District is located in Broward County, within the incorporated area of the City of Sunrise, Florida. The boundaries of the District are set forth in the Charter.

3. Purpose of Operating Policies and Procedures; Definitions. The purpose of these Operating Policies and Procedures (the "Operating Procedures") is to describe the general

operations of the District. Definitions set forth within any section hereof shall be applicable within all other sections, unless specifically stated to the contrary.

1-1.002 The District Governing Body; Officers; Indemnification.

1. District Governing Body. The District is governed by a six (6) member Board of Supervisors (the "Board") which shall exercise all powers granted to the District by the Act and the Charter.

2. District Chair, Vice-Chair and Officers. At the first Board meeting held after each election where the newly elected members of the Board take office, the Board shall, at a minimum, select a Chair and Vice-Chair of the Board and a Treasurer and a Secretary, and may select one (1) or more Assistant Secretaries of the District. Each of the persons selected to hold such positions shall serve for a term of one (1) year or until their successor is elected or until their earlier resignation, removal from office or death.

3. District Chair. The Chair shall be a member of the Board, shall convene and conduct all meetings of the Board and shall have such other duties and responsibilities as specifically delegated by the Board from time to time. The Chair shall sign resolutions and other legislative documents for the Board and countersign, together with the District Manager as hereinafter provided, all contracts and instruments to which the District is a party, on behalf of the District. If the Chair ceases to be a member of the Board, the Board shall select a Chair to serve the remainder of the term, after filling the Board vacancy.

4. District Vice-Chair. The Vice-Chair shall be a member of the Board and shall have all of the rights, privileges and duties of the Chair in the absence of the Chair and such other duties and responsibilities as specifically delegated by the Board from time to time. If the

Vice-Chair ceases to be a member of the Board, the Board shall select a Vice-Chair to serve the remainder of the term, after filling the Board vacancy.

5. District Secretary; Assistant District Secretaries. The District Secretary and Assistant District Secretaries, if any, serve at the pleasure of the Board and shall be members of the Board. The District Secretary shall attest the signature of the Chair on all resolutions and other legislative documents and impress the official seal of the District or a facsimile thereof on all of such documents. Any Assistant District Secretary may act as District Secretary if the District Secretary is unavailable.

6. District Treasurer. The District Treasurer shall be a member of the Board and serves at the pleasure of the Board. The District Treasurer shall have charge of the funds of the District and such other duties as may be assigned by the Board from time to time.

7. Other District Officers. The Board may appoint other officers of the District and give to such officers such powers and duties as the Board may deem appropriate.

8. Liaisons. The Board may appoint individual Board members as liaisons to work with and meet with the District Manager in specific areas of interest, such as (but not limited to) operations, employees, legal and contracts, repairs and maintenance, newsletter and website, entertainment and recreation. No decisions or recommendations will be made at these meetings, but the District Manager will report to the Board what was discussed at these meetings and what factual information was provided.

9. Committees. The Board may establish committees of the Board, either on a permanent or temporary basis, to perform specifically-designated functions. Committees may include individuals who are not members of the Board. The Chair of the Board shall have the right to nominate the Chair of each committee. The Committee Chair shall have the right to

determine the number of members that will serve on the committee and to appoint each member of such committee, subject to the approval of the Board. If the Board fails to approve any proposed member, the Committee Chair shall continue to nominate an alternative member until the nominee is approved by the Board. To the extent required by law, all committee meetings shall be conducted in accordance with Chapter 286, Florida Statutes. Each committee that is subject to Chapter 286 Florida Statutes shall annually establish and file with the State of Florida and the City of Sunrise, Florida a schedule of the place, date and time of its regular meetings. The schedule shall also be published in a newspaper of general paid circulation in Broward County. Cancelled, special and emergency meetings of committee shall be subject to the notice requirements specified in Section 1-1.005 (3) hereof.

10. Compensation. Members of the Board serve without compensation. However, the members of the Board are entitled to per diem and travel expenses as provided by Section 112.061, Florida Statutes. Compensation of the District Manager, legal counsel and employees of the District shall be determined by the Board.

11. Board Quorum. Four (4) members of the Board shall constitute a quorum for the purposes of conducting its business and exercising its powers and for all other purposes. However, if three (3) or more vacancies occur at the same time, a quorum is not necessary to fill the vacancies. An affirmative vote of not less than a majority of the members present at any meeting is required to pass any resolution or motion or for action of the Board to be official.

12. Vacancies on Board. If during the term of office of a Board member a vacancy occurs, the remaining members of the Board shall fill the vacancy by appointment of a qualified person residing in the same Election District (hereinafter defined) as the Board member whose seat has become vacant, for the remainder of the unexpired term.

13. Voting Conflict of Interest. The Board shall comply with Section 112.3143, Florida Statutes, so as to ensure the proper disclosure of conflicts of interests on matters coming before the Board for a vote. A Board member with a voting conflict of interest with respect to a matter is prohibited from voting on that matter. For the purposes of this section, "voting conflict of interest" shall mean any matter coming before the Board for a vote which would inure to a Board member's special, private gain or loss, or which a Board member knows would inure to the special private gain or loss of a relative, a business associate, any principal by whom a Board member is retained, or the parent organization or subsidiary of a corporation by which a Board member is retained.

When a Board member knows the member has a conflict of interest on a matter coming before the Board, he or she shall notify the District Manager. The member shall publicly announce the conflict of interest at the meeting prior to participating in any discussion with the Board on the matter. This announcement shall appear in the minutes. The District Manager shall prepare a memorandum of voting conflict which shall then be signed by the Board member, filed with the District and attached to the minutes of the meeting within fifteen (15) days of the meeting.

14. Election Procedures. In connection with elections of the Board, the following procedures shall apply:

- (a) Pursuant to a referendum of the qualified electors of the District, three election districts (each, an "Election District") have been created within the District. The first Election District encompasses all the units in Sunrise Lakes Condominium Phase 4, Inc. 1, the second Election District encompasses all the units in Sunrise Lakes Condominium Phase 4, Inc. 2, and the third Election District encompasses all the units in

Sunrise Lakes Condominium Phase 4, Inc. 3. Elections for members of the Board shall be conducted so that two members of the Board are elected from each Election District. All elections of the Board shall be ordered by resolution of the Board to be held on such date and time and in such manner as is determined by the Board, subject to the requirements of applicable law. Elections for the Board shall be held not less frequently than once each year. Per Section 418.21(2)(a), Florida Statutes, the ordinance that created the District must provide that each property owner or resident in the District has the right to vote in Board elections.

(b) For Board elections, there shall be one vote per condominium unit in the District. The procedure for determining who may vote on behalf of a condominium unit in accordance with the foregoing shall be as set forth from time to time in resolutions of the Board.

(c) For Board elections there shall be one vote per condominium unit in the District as follows:

(i) for each leased unit, one resident thereof designated by the residents of the unit may vote;

(ii) for owner-occupied units, one owner thereof designated by the owners of the unit may vote; and

(iii) for unoccupied units, one owner thereof designated by the owners of the unit may vote.

The District or its designee shall certify a list of the names of all electors who may vote in elections for the Board.

15. Terms of Office of Board Members. Membership on the Board shall be staggered. The candidate receiving the highest number of votes in each Election District shall be elected for a two (2) year term (or such longer period until the next regularly scheduled election called by the Board is held and their successor elected) and the candidate receiving the next highest number of votes in each Election District shall be elected for a one (1) year term (or such longer period until the next regularly scheduled election called by the Board is held and their successor elected).

16. Indemnification. Each person (including the heirs, executors, administrators, or estate of such person): (i) who is or was a Board member or officer of the District; or (ii) who is or was a was an agent or employee of the District other than an officer; and as to whom the District has agreed to grant such indemnity shall be indemnified, defended and held harmless by the District as of right to the fullest extent permitted or authorized by current or future law against any fine, liability, cost or expense, including attorneys' fees, asserted against such person or incurred by such person in the capacity of a member of the Board, officer, agent or employee of the District or arising out of or relating in any way to their status as a member of the Board, officer, agent or employee of the District unless such Board member, officer, agent or employee acted intentionally, in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety or property. The District may maintain insurance to protect itself and any such person against any such fine, liability, cost or expense.

1-1.003 General Description of Administration.

1. District Manager. The Board will appoint and fix the salary of a District Manager who shall be the administrative head of the District under the direction and supervision of the Board. The District Manager shall be responsible for the day-to-day operations of the District

and shall have the authority to expend District funds on proper District expenditures that are Ten Thousand Dollars (\$10,000) or less. The District Manager shall also be responsible for giving notice of the meetings of the Board, maintaining the minutes of Board meetings, recording all resolutions and contracts in the record book maintained by the District for that purpose, administering oaths, and for such other duties as may be assigned by the Board from time to time. The District Manager may appoint, suspend and remove and fix the compensation of all District employees, other than the members of the Board, the District Treasurer, the District Secretary, and other District officers, District Counsel and those persons who have employment or similar contracts with the District. The District Manager may organize the District by creating offices, departments and divisions, as appropriate, and may appoint the persons to head such offices, departments and divisions. The District Manager may delegate to such persons the authority to appoint, suspend and remove employees within the applicable office, department or division. The District Manager shall submit the annual budget to the Board; shall make regular reports to the Board on District affairs; and shall keep the Board fully advised on the financial condition and future needs of the District and make such recommendations on District affairs as deemed desirable by the District Manager. The District Manager shall attest to the signature of the Chair of the Board, on all contracts and instruments to which the District is a party, on behalf of the District. By letter filed with the Board, the District Manager may designate a qualified person to exercise the powers and perform the duties of the District Manager during the District Manager's temporary absence or disability. If the District Manager fails to make such a designation the Board shall designate a qualified person to perform the duties of District Manager during the District Manager's absence or disability.

2. Consultants. The Board shall have the power to appoint and fix the compensation of attorneys, accountants, professional advisors and such other consultants as it may, from time to time, deem necessary, subject to compliance with any applicable law relating to competitive bidding and negotiation, and such persons or entities shall have such professional duties as may be delegated to them by the Board from time to time.

1-1.004 General Information Concerning District.

1. District Principal Office. The District's principal office shall be located at 10102 Sunrise Lakes Boulevard, Sunrise, Florida, 33322 or such other address as the Board may designate. The principal office is open for business between the hours of 9:00 a.m. and 2:00 p.m. on Mondays, Tuesdays, Thursdays and Fridays and 9:00 a.m. to 8:00 p.m. on Wednesdays. The District shall be closed on State holidays.

2. Record Book. The Board shall keep a permanent record book entitled "Record of Proceedings of the Sunrise Lakes Phase 4 Recreation District," in which shall be recorded minutes of all meetings, resolutions, motions, and proceedings of the Board and all contracts and instruments executed by the District.

3. Public Records. The District Manager shall be the "Custodian of public records" of the District for purposes of Chapter 119, Florida Statutes. All public records of the District shall be available for public inspection pursuant to Chapter 119, Florida Statutes, except those specifically exempted by Florida Statutes 119.07. Any person wishing to examine public records of the District may do so during normal business hours at the District's principal office.

4. Copying of Public Records. Copies of public records shall be made available to the requesting person at a charge of \$.15 per page for one-sided copies and \$.20 per page for two-sided copies if not more than 8-1/2 by 14 inches, and for copies in excess of that size at a

charge not to exceed the actual cost of reproduction. Certified copies of public records shall be made available at a charge of \$1.00 per page.

5. Document Retention. The District's records shall be maintained in accordance with the policies and procedures established by the State of Florida, Department of State, Division of Library and Information Services and the retention schedule established thereby, as well as the Electronic Recordkeeping rules set forth in Rule 1B-26.003 of the Florida Administrative Code, as may be amended and supplemented.

Notwithstanding the foregoing, any records of the District related to tax exempt bonds issued by the District shall be retained for at least three (3) years after the final redemption of such bonds, or such longer period as may be required by the documentation relating to a specific issue of bonds. The District may amend, revise, repeal or otherwise alter its document retention policy to be consistent with any changes in the Internal Revenue Code of 1986, as amended, or the regulations promulgated thereunder, or on the advice of the District's bond counsel.

6. Official Internet Website. The District Manager shall be responsible for maintaining the District's official internet website as required by Section 189.069, Florida Statutes. The address and e-mail address for each District Board Member posted on such website shall be the mailing address and e-mail address of the District Manager. The District Manager shall promptly forward to each Board Member any correspondence or e-mail addressed or directed to such Board Member.

7. E-Mails Sent to or from Personal E-Mail Addresses. Any e-mail received by or sent from the personal e-mail address of a Board Member that relates to the business of the District should be assumed to be a public record. Any such e-mail will be automatically saved by the District Manager if the District Manager is either an addressee of or copied (cc or bcc) on

such e-mail. Any such e-mail as to which the District Manager is not an addressee or copied shall be forwarded by the Board Member to the District Manager or to the General Counsel of the District promptly upon receipt. Under no circumstances shall a Board Member delete an e-mail that relates to the business of the District unless the District Manager is an addressee or copied, or it has been forwarded to the District Manager or General Counsel. As of March, 2017 District e-mail accounts are being provided to all Board of Supervisors and the District Manager. The District e-mail accounts should be used going forward in place of any personal e-mail accounts. As with the prior use of personal e-mail accounts all e-mails must be forwarded to the District Manager for archiving within the Districts Records.

8. District Audit. At least once each year, the Board must cause the financial books and accounts of the District to be audited by an independent certified public accountant. The District is required to comply with the provisions of Section 11.45, Florida Statutes with respect to its audit.

9. District Depository. The Board is authorized to select, from time to time, as a depository of funds any qualified public depository as defined in Section 280.02, Florida Statutes, which meets all the requirements of Chapter 280, Florida Statutes, upon such terms and conditions as to the payment of interest by such depository upon the funds deposited as the Board may deem just and reasonable.

10. Fiscal Year. The fiscal year of the District shall begin October 1 of each year and end September 30 of the following calendar year.

1-1.005 Meetings.

1. General. At a minimum, the meetings of the Board will comply with the provisions of Section 189.015, Florida Statutes, and Chapter 286, Florida Statutes. All meetings of the Board shall be open for public access under the provisions of Section 286.011, Florida Statutes.

2. Regular Meetings. The Board will annually establish and file with the City Clerk of the City of Sunrise, Florida a schedule of the place, date and time of its regular meetings. The schedule shall also be published in a newspaper of general paid circulation in Broward County.

3. Special Meetings; Emergency Meetings. For any meeting other than a regular meeting or any recessed and reconvened meeting of the District, the District shall, at least seven (7) days prior to such meeting, advertise the day, time, place, and purpose of such meeting in a newspaper of general paid circulation in Broward County, unless a bona fide emergency situation exists, in which case a meeting to deal with the emergency may be held as necessary, with reasonable notice, so long as it is subsequently ratified by the Board. A regular meeting may be cancelled, provided that notice of cancellation shall be given in the same manner as notice of a special meeting. The advertisement shall be placed in that portion of the newspaper where legal notices and classified advertisements appear. Whenever possible, the advertisement shall appear in a newspaper that is published at least five (5) days a week. The newspaper selected shall be one of general interest and readership in the community and not one of limited subject matter, pursuant to Chapter 50, Florida Statutes. Such notice of meeting shall state at a minimum:

- (a) the date, time and place of the meeting;
- (b) a brief description of the purpose of the meeting; and

(c) that if a person decides to seek review of any official decision made at the Board meeting, a record of the proceedings will be required and the person intending to appeal will need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence necessary for the appeal.

Special meetings of the Board may be called by the Chair or by four (4) Board members.

4. Communications Media Technology. A meeting of the Board may be conducted by or in conjunction with Communications Media Technology (CMT), including teleconferences or video conferences. Participation by such means shall not, however, constitute presence in person at a meeting, and a person participating by such means shall neither be counted towards a quorum nor permitted to vote.

(a) Definitions.

(i) "Access point" means a designated place where a person interested in attending a CMT meeting may go for purposes of attending such meeting.

(ii) "Attend" means having access to the communications media technology network being used to conduct a meeting.

(iii) "CMT meeting" means a meeting that is conducted by means of or in conjunction with communications media technology.

(iv) "Communications media technology" means the electronic transmission of printed matter, audio, full-motion video, freeze frame video, compressed video, and digital video by any method available.

(v) "In conjunction with communications media technology" means that CMT access is being provided to a meeting otherwise being held with the collective, physical presence of the members of the Board in one place.

(vi) "By means of communication media technology" means that a meeting is being conducted entirely by means of communications media technology and that the members of the Board conducting such meeting may not, collectively, be physically together in one place.

(b) Conduct. Nothing herein shall be construed to permit the District to conduct any meeting otherwise subject to the provisions of Section 286.011, Florida Statutes, by means of communications media technology without making provision for the attendance at that meeting of any member of the public who desires to attend. No meeting shall be conducted entirely by means of communications media technology if the available technology is insufficient to permit all interested persons to attend. If, during the course of a CMT meeting, technical problems develop with the communications network that prevent interested persons from attending, the Board shall terminate the meeting until such problems have been corrected.

(c) Access Points. The District may not limit the points of access provided to the public to places not normally open to the public. The District shall provide at least one access point in a location which is ordinarily open to the public. Any official action taken at a CMT meeting to which at least one access point is not provided shall be void and of no effect as being violative of the

public's right of access.

(d) Notice. Notice of a CMT meeting shall be in the same manner as a meeting without CMT. The notice shall plainly state that such a meeting is to be conducted by means of or in conjunction with CMT and identify the type of CMT to be used. The notice shall also describe how interested persons may attend, and include the address or addresses of all access points.

5. Conduct of Members of the Public at Public Meetings. Members of the public may speak at public meetings at a time to be specified by the Chair of the Board during discussion on any ordinance, resolution, motion, workshop item, discussion item or during the period set aside for public discussion on non-agenda items, subject to the following:

(a) Members of the public desiring to speak at a Board meeting during the time provided for that purpose in the agenda for that meeting shall fill out and return to the Secretary of the Board, at the Board meeting, the appropriate form prior to the call to order of the meeting.

(b) Until recognized as a speaker by the Chair, members of the public shall remain seated while the meeting is in session.

(c) Members of the public may speak only at the times designated by the Chair.

(d) The Chair may impose reasonable limitations on the total time allotted to public discussion on any ordinance, resolution, motion, workshop item, discussion item or during the period set aside for public discussion on the Board agenda, and may impose reasonable limitations on the total time allotted to each speaker during discussion on any ordinance, resolution, motion, workshop item,

discussion item or during the period set aside for public discussion on the Board agenda.

(e) Members of the public recognized as speakers by the Board shall state their name and address for the record.

(f) Members of the public shall address only the topic being discussed as determined by the Chair, unless discussion is pursuant to the portion of the agenda set aside for public discussion, in which case members of the public desiring to speak shall limit their discussion to items not appearing on the agenda.

(g) Members of the public are expected to conduct themselves in an orderly and courteous manner during Board meetings. Disruptive, belligerent or abusive conduct by any member of the public is prohibited. Prohibited conduct shall include, but shall not be limited to, the use of obscene or profane language; physical violence or threat thereof; other loud and boisterous behavior, including cheering, booing or hissing and intimidating body language, which the Chair shall determine is intended as a disruption of the Board meeting. Any member of the public who violates this section may be instructed by the Chair to conform his or her conduct to the rules of procedure set forth herein. In the event a person shall continue to violate the provisions of this section, the person may be instructed by the Chair to remove himself or herself from the meeting location.

(h) The rules of conduct set forth herein shall apply to all public meetings held by the Board and any boards and committees of any nature or kind established by the Board and the term "Chair" shall mean the presiding officer of the public meeting of the Board and any public meetings held by boards and

committees of any nature or kind established by the Board.

2-2.001 Procedure Under Consultants' Competitive Negotiation Act..

2-2.002 Procedure for Purchasing Contractual Services and Commodities.

2-2.003 Contracts for Construction of Authorized Project.

2-2.004 Purchase of Insurance.

2-2.001 Procedure Under Consultants' Competitive Negotiation Act.

The District shall comply with the requirements of Section 287.055, Florida Statutes with respect to the acquisition of “professional services,” as defined therein, when such statute applies.

The District may make a purchase without complying with the Operating Procedures in this subsection only if the Chair certifies that there is a valid public emergency. The fact that an emergency purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

For the acquisition of professional services as to which Section 287.055, Florida Statutes, does not apply, the District shall utilize the procedures set forth in subsection 2.2002 herein.

2.2.002 Procedure for Purchasing Contractual Services and Commodities.

1. Scope. All purchases for Contractual Services and Commodities shall be made following the purchasing procedures set forth in Sections 5-171 through 5-181 of City of Sunrise Code of Ordinances, as in effect on May 1, 2016, provided that (a) the threshold for “Category two” shall be \$10,000 instead of \$25,000, (b) the District Manager shall be the official of the District authorized to advertise or soliciting bids or proposals, and approve purchases and execute contracts on behalf of the District less than the threshold amount provided in Category

two, (b) the District Manager shall be the official of the District authorized to advertise or solicit bids or proposals for an amount at or in excess of the threshold amount provided in Category two, to evaluate any bids or proposals received, and to present such bids or proposals to the Board for consideration, and (c) only the Board is authorized to (i) approve purchases and execute contracts on behalf of the District for an amount at or in excess of the threshold amount provided in Category two, or (ii) waive the requirement to advertise or solicit bids or proposals for good cause shown.

2. Definitions.

(c) "Commodity" means any of the various supplies, materials, goods, merchandise, food, equipment, information technology, and other personal property, purchased, leased, or otherwise contracted for by the District.

(d) "Contractual service" means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and professional, technical, and social services. The term does not include a contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of a facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to Florida Statutes Chapter 255.

2-2.003 Contracts for Construction of Authorized Project.

The District shall comply with the requirements of Section 255.20, Florida Statutes with respect to the construction or improvement of any public building, structure, or other public construction works that is estimated in accordance with generally accepted accounting principles to cost more than the threshold amounts set forth in said statute, when such statute applies.

Only the Chair or the Board may determine that Section 255.20, Florida Statutes does not apply to a particular construction project for an emergency or any of the other reasons set forth in Section 255.20(c), Florida Statutes. If the determination is made by the Chair, the determination and the fact that a purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

For the acquisition of construction services the cost of which is estimated in accordance with generally accepted accounting principles to cost less than the threshold amounts set forth in said statute Section 255.20, Florida Statutes, the District shall utilize the procedures set forth in subsection 2.2002 herein.

2-2.004 Purchase of Insurance.

1. Scope. The purchase of life, health, accident, hospitalization, legal expense or annuity insurance, or all or any kind of such insurance for the officers and employees of the District, and for health, accident, hospitalization and legal expense insurance for the dependents of such officers and employees upon a group insurance plan by the District, may be governed by the Operating Procedures in this subsection. Nothing herein shall require the District to purchase insurance.

2. Procedure. For a purchase of insurance within the scope hereof, the following procedure shall be followed:

- (a) The Board shall cause to be prepared a notice of Invitation to Bid.

(b) Notice of Invitation to Bid shall be advertised at least once in a newspaper of general circulation in the District. The notice shall allow at least seven (7) days for submittal of bids, unless the Board, for good cause, determines a shorter period of time is appropriate.

(c) The District may maintain a list of persons interested in receiving notices of invitations to bid. Persons who provide their name and address to the District office for inclusion on the list shall receive notices by mail.

(d) Bids shall be opened at the time and place noted on the Invitation to Bid.

(e) If only one response to an Invitation to Bid is received, the District may proceed with the purchase. If no response to an Invitation to Bid is received, the District may take whatever steps are reasonably necessary in order to proceed with the purchase.

(f) The Board has the right to reject any and all bids and such reservations shall be included in all solicitations and advertisements.

(g) Simultaneously with the review of submitted bids, the District may undertake negotiations with those companies which have submitted reasonable and timely bids and, in the opinion of the Board, are fully qualified and capable of meeting all services and requirements. Bid responses shall be evaluated in accordance with the specifications and criteria contained in the Invitation to Bid; in addition, the total cost to the District, the cost, if any, to District officers, employees, or their dependents, the geographic location of the company's headquarters and offices in relation to the District, past performance for the District, and the ability of the company to guarantee premium stability may be considered. A contract to purchase insurance shall be awarded to that

company whose response to the Invitation to Bid best meets the overall need of the District, its officers, employees and/or dependents.

(h) Notice of the award or intent to award, including rejection of some or all bids, shall be provided in writing to all bidders by United States Mail or by hand delivery, and by posting the same in the District office for seven (7) days.

3. Exemption. Instead of following the procedures set forth in (2) above, the District may instead engage or retain a licensed insurance agent to solicit bids or proposals for insurance within the scope hereof on behalf of the District, and to contract to purchase insurance from that company or companies whose response best meets the overall needs of the District, its officers, employees and/or dependents.