

GOVERNING BOARD POLICY
Mojave Desert Air Quality Management District

Policy No: 96-4
Effective Date: August 26, 1996

Adopted: August 26, 1996
Amended:

/s/

Jim Warren, Chair

Last Review: January 26, 2015

SUBJECT: REVIEW AND PAYMENT OF COST OVERRUN, CONSULTANT CONTRACT

POLICY:

It is the policy of the Governing Board of the Mojave Desert Air Quality Management District (District) that any cost overrun on a consultant contract which is greater than either five percent (5%) or three thousand dollars (\$3,000) over the total cost of the contract shall require approval of the Governing Board.

AMPLIFICATION OF POLICY:

A. Definition

1. Cost overrun is defined as occurring when a consultant who has a contract with the District for a sum specific and the work to be performed by the consultant will require payment of funds that, either in increments or in aggregate, will exceed the sum specific. This definition shall prevail even when any such work to be performed is in addition to the work that was specified or anticipated in the contract.
2. Consultant is defined as any entity or person who contracts with the District to provide services which are specialized in nature and are generally provided by professionals with special skills, experience, or knowledge.

B. Governing Board

A cost overrun which requires the approval of the Governing Board shall be placed on the agenda of a scheduled regular or special meeting of the Governing Board as soon as any such cost is anticipated and reported to the Air Pollution Control Officer (APCO). The approval of the Governing Board shall be obtained prior to any additional work being performed or cost overrun being incurred by the consultant. If a consultant performs additional work or incurs additional cost prior to the approval, the consultant does so at its own risk and the District reserves the right to enforce the contract as written.

C. Chair of the Governing Board

In the event a meeting of the Governing Board cannot take place for a timely consideration of the cost overrun, the Chair of the Governing Board, on behalf of the Governing Board, may authorize the APCO in the interim to exceed the limit established by this policy for the APCO provided:

1. The APCO recommends and the Chair agrees that a delay in the completion of the consultant work will cause serious injury or damage to the business of the District; and
2. The matter of the cost overrun is placed on the agenda of the next scheduled regular or special meeting of the Governing Board as appropriate.

D. Air Pollution Control Officer

The APCO is authorized to approve cost overrun which does not exceed five percent (5%) of the total cost of the consultant contract or three thousand dollars (\$3,000), whichever is greater.

E. Other Provisions

Nothing in this policy shall grant any right to a consultant other than what is provided in the consultant contract. Nothing in the policy shall apply to any contract for litigation, defense, prosecution, or other legal services provided to the District. Nothing in this policy shall be construed to limit the right of the District to enforce the terms of a consultant contract.