

RESOLUTION NO. 2024-08

A RESOLUTION of the City Council of Bainbridge Island, Washington, updating the City's Procurement Manual.

WHEREAS, on June 14, 2016, the City Council approved Resolution No. 2016-14, adopting a comprehensive Procurement Manual for the City; and

WHEREAS, on May 22, 2018, the City Council approved Resolution No. 2018-16, adopting an updated Procurement Manual; and

WHEREAS, on February 12, 2019, the City Council approved Resolution No. 2019-04, adopting an updated Procurement Manual; and

WHEREAS, on June 13, 2023, the City Council approved Resolution No. 2023-04, adopting an updated Procurement Manual; and

WHEREAS, the City's Procurement Manual serves as a guide for the community and the City's staff and officers; and

WHEREAS, the City Council now desires to update the City's Procurement Manual to reflect general housekeeping edits and state regulation changes beginning July 1, 2024 specific to the small works roster and apprenticeship utilization requirements.


NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND DOES RESOLVE AS FOLLOWS:

Section 1. The Procurement Manual adopted by Resolution No. 2023-04 is hereby repealed in its entirety.

Section 2. The Procurement Manual attached as Exhibit A to this resolution is hereby adopted in its entirety.

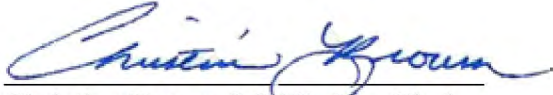
PASSED by the City Council this 11th day of June 2024.

APPROVED by the Mayor this 11th day of June 2024.



Joe Deets, Mayor

ATTEST/AUTHENTICATE:



Christine Brown, MMC, City Clerk

FILED WITH THE CITY CLERK:

June 7, 2024

PASSED BY THE CITY COUNCIL:

June 11, 2024

RESOLUTION NO.

2024-08

Exhibit A Procurement Manual

[See Attached PDF]

Exhibit A



CITY OF
BAINBRIDGE ISLAND

PROCUREMENT POLICY

Effective Date: June 2024
Resolution No. 2024-08

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I.0 GENERAL

1.1 PURPOSE

This document is intended to direct the procurement of goods and services at a reasonable cost. An open, fair, documented, and competitive process is to be used whenever reasonable and possible. The integrity, efficiency, and effectiveness of the City's procurement processes are critical elements of sound government.

1.2 OBJECTIVES

The objectives of the City's Procurement Policy are as follows:

- To provide a uniform system to obtain supplies, materials, equipment, and services in an efficient and timely manner.
- To facilitate responsibility and accountability with the use of City resources.
- To ensure equal opportunity and competition among vendors and contractors.
- To promote effective relationships and clear communication between the City and its vendors and contractors.
- To comply with State procurement statutes governing expenditures of public funds.
- To promote use of recycled materials and products and dispose of surplus and scrap materials with regards to cost savings and the environment.

1.3 SCOPE

These guidelines apply to purchases of:

- Supplies, materials, and equipment
- Professional services (including architectural, engineering and surveying services)
- Non-professional services (purchased services)
- Public works projects

The guidelines do not apply to the acquisition, sale, or lease of real property, except as described in Section 14.3. If grant or debt funding is involved in the proposed purchase, applicable requirements should be obtained from the funding agency. Such requirements may be more restrictive than the City's policy.

1.4 CONTROLLING LAWS

All procurements shall comply with appropriate and relevant Federal, State, and City laws and policies. If the appropriate and relevant Federal or State laws, regulations, grants, debt, or requirements are more restrictive than this Procurement Policy, such laws, regulations, grants, debt, or requirements must be followed.

The City Attorney shall be consulted when questions regarding potential conflicts arise. Applicable laws and regulations will be cited throughout this document.

1.5 SUSTAINABLE PURCHASING

The City shall acquire its goods and services in a manner that complies with all federal, state, City laws, and other requirements (e.g., City resolutions). The City shall purchase and use materials, products and services which are fiscally responsible, reduce resource consumption and waste, perform adequately, promote opportunities to lesser-advantaged segments of our community (Title VI page – City of Bainbridge Island Website) and promote human health and well-being when possible. Environmental and social equity impacts should always be a consideration when making purchasing decisions at the City.

Environmental factors to consider in selecting products include (See also Section 4.5):

- Pollutant releases: use non-toxic and least harmful chemicals, specifically avoiding products with persistent bio-accumulative toxins (PBTs) and intentionally added fluorinated chemicals
- Waste generation/end of life disposal options: use reusable, recyclable, and compostable products
- Greenhouse gas (GHG) emissions: minimize the release of GHGs from product manufacturing and transportation
- Energy and water consumption: choose products with ENERGY STAR or WATER SENSE certification where applicable
- Depletion of natural resources: use products with post-consumer recycled content; bio-based products; and Forest Stewardship Council certified and/or chlorine-free paper products
- Potential impact on human health and the environment: look for companies with B Corp Certification and suppliers who demonstrate in their business practices a commitment to the goals set forth in this policy

Social equity factors that should be considered include, but are not limited to:

- Use of Veteran owned businesses
- Use of small, minority and women-owned businesses
- Ergonomic and human health impacts

The language below should be included in solicitations for all service opportunities and in accordance with RCW 39.80.050 applicable to Architectural and Engineering services.

The City actively supports utilization of WMBE (women and minority-owned businesses), Veteran Owned Businesses, Americans with Disabilities and those protected by Title VI on City contracts as both primes and subcontractors, and for consulting and purchasing contracts.

Fiscal factors to be considered include but are not limited to:

- Lowest total lifecycle cost (considering costs for use of product – such as electricity use, disposal, maintenance, etc.)
- Leveraging our buying power
- Impact on staff time and labor
- Long-term financial/market changes
- Technological advances in a rapidly changing market

2.0 DETERMINING TOTAL PURCHASE COST

2.1 USE ANTICIPATED COST

The anticipated need for a good or service (when it can reasonably be projected) shall be used to determine the cost of that good or service, and thus which contract approval level, cost threshold, or other related purchasing requirements apply.

2.2 NO "BID SPLITTING"

Construction projects shall not be divided or "split" to avoid cost thresholds outlined in this Procurement Policy or in state or federal law RCW35.23.352(1). For example, if an item being purchased or contracted for requires another item to "make a whole" project, the total accumulated costs of the two items (when they can reasonably be projected) should be used when determining which approval level and bidding requirement is used.

2.3 COSTS INCLUDED

Include costs such as taxes, freight, and installation charges when determining which cost threshold applies. Do not include the value of a trade-in. Trade-in value should be considered, however, to determine the lowest bid when competitive bidding is used.

2.4 INCLUDE TOTAL QUANTITY NEEDED

Requirements for the total quantity of an item (when they can be reasonably projected) should be considered when determining which cost threshold and related purchasing requirements apply.

3.0 CONTRACT APPROVAL LEVELS

These approval levels are designed for Contracts/Agreements whose costs are covered by budget appropriations previously approved by the City Council. Capital funded Contracts/Agreements requiring additional budget appropriations must be approved by the City Council. Any Contracts/Agreements that exceed the thresholds noted below via a Change Order or Amendment, must follow the signing/purchasing authorizations noted. Further guidance on Change Order thresholds can be found in Section 5.11. Further guidance on Amendments to service agreements can be found in Section 9.0.

3.1 EQUIPMENT, SUPPLIES, & MATERIALS (UNRELATED TO A PUBLIC WORKS PROJECT)

3.1.1 \$50,000 or Less

Purchases in this price range are to be approved by the City Manager or designee.

3.1.2 \$50,001 or More

Purchases in this price range are to be approved by the City Council.

3.2 PROFESSIONAL SERVICES

3.2.1 \$50,000 or Less

Agreements in this price range are to be approved by the City Manager or designee.

3.2.2 \$50,001 or More

Agreements in this price range are to be approved by the City Council.

3.3 NON-PROFESSIONAL SERVICES (PURCHASED SERVICES)

3.3.1 \$50,000 or Less

Contracts in this price range are to be approved by the City Manager or designee.

3.3.2 \$50,001 or More

Contracts in this price range are to be approved by the City Council.

3.4 PUBLIC WORKS PROJECTS (INCLUDING RELATED MATERIALS, SUPPLIES, AND EQUIPMENT)

3.4.1 \$50,000 or Less

Contracts in this price range are to be approved by the City Manager or designee.

3.4.2 \$50,001 or More

Contracts in this price range are to be approved by the City Council.

4.0 EQUIPMENT, SUPPLIES, & MATERIALS (UNRELATED TO A PUBLIC WORKS PROJECT) AND NON-PROFESSIONAL SERVICES (PURCHASED SERVICES)

The following cost thresholds apply for procurements of non-professional services and purchases of supplies, materials, and equipment unrelated to a public works project. (Please see section 16.0 for authorized signing ranges)

Refer to Section 10.0 in situations involving *competitive bidding exemptions* or *emergency purchases* of equipment, supplies, & materials.

Non-professional services, referred to as "purchased services" by the Municipal Research and Services Center (MRSC), are for routine and continuing functions, mostly related to physical activities that:

- Follow established or standardized procedures.
- Contribute to the day-to-day business operations.
- Completion of assigned and specific tasks
- Require only routine decisions.
- May require payment of prevailing wages.

Examples include delivery services, landscaping and janitorial services, vehicle inspection and repair services, HVAC system maintenance, and office furnishings installation and repair service. Consult with the City Attorney prior to contracting for these services for advice on bidding and prevailing wage requirements.

4.1 \$25,000 OR LESS – NO SOLICITATION OR ADVERTISEMENT NEEDED

Procurements or purchases in this price range may be entered through direct negotiation and without advertisement or use of a roster. Competition is not required, though departments should still make every effort to receive the best qualified vendor and price possible. Award will be based on qualifications and price. Invoices will be submitted for payment. (For \$5,001 to \$25,000 it's advised to use a Purchase Order in Munis to encumber the agreed amount).

4.2 \$25,001 TO \$99,999 – 3 MINIMUM QUOTES

For procurements or purchases in this price range, solicitation is preferred and at least three quotes obtained when possible. Quotes may be obtained by telephone or in writing (electronic submittals are ok). Documentation (e.g., date, time, vendor contact name, phone #, and email) on all quotes should be retained for reference. Award will be based on qualifications and price.

4.3 \$100,000 OR MORE – COMPETITIVE QUOTES

For procurements or purchases in this price range, competitive quotes should be solicited from at least three vendors. Quotes submitted by each vendor do not need to be sealed but shall be in writing only (electronic submittals are ok). A bid security may be required in an amount and type

approved by the Department Director. The award of a contract will be based on qualifications and price. Documentation (e.g., date, time, vendor contact name, phone # and email) on all quotes must be retained for reference.

4.4 ALTERNATIVE METHODS OF PROCUREMENT AND PURCHASING

If applicable, the City may utilize any one of the following methods as an alternative to the requirements of Sections 4.1, 4.2, and 4.3 above.

4.4.1 Auctions

RCW 39.30.045 allows for the purchase of any supplies or equipment at auctions rather than through competitive bidding if the items can be obtained at a competitive price. This authority allows the City to make a purchase on an internet-based auction service, such as eBay, as well as through in-person auctions. The City may also use federal, state, or local governmental auctions.

4.4.2 Purchasing Surplus Property from Other Governmental Agencies

RCW 39.33.010 allows for the purchase of surplus property from other governmental agencies without regard to bid laws.

4.4.3 Contracting for Services with Other Governmental Agencies

RCW 39.04.080 authorizes one public agency to contract with another public agency to perform any function which each agency is authorized by law to perform itself (piggybacking). The City can contract additionally with Co-op agencies as outlined in RCW 39.34.030 and further in Section II of this policy.

4.4.4 Telecommunications and Data Processing Equipment

When purchasing telecommunications and data processing (computer) equipment or software costing above the bid limit, municipalities may follow a "competitive negotiation" process authorized by RCW 39.04.270. Municipal Research Services Center has outlined this process in greater detail and should be referenced for guidance.

4.5 ENVIRONMENTALLY FRIENDLY PURCHASING

4.5.1 Where appropriate environmentally friendly products are available and reasonably priced compared to competing products, such environmentally friendly products are to be purchased by the City. Environmentally friendly products may include, but are not limited to, products that are: less toxic or hazardous, energy and water efficient, recyclable, or made from recycled content or renewable resources, bio-based, sustainably certified, or shipped or made with reduced packaging.

4.5.2 For City sponsored or hosted events (for staff or the public), the City shall comply with BIMC 8.24 regarding disposable food service ware and waste reduction. Reusable food service ware (such as plates, cups, and utensils) shall be used for on-site dining whenever possible, and condiments shall be provided in bulk containers. Any disposable food service ware provided must comply with BIMC 8.24.

4.5.3 Pursuant to Resolution No. 2016-11, the City will not purchase landscaping materials, including plants and seeds, that have been treated with neonicotinoids, except for use in: (a) a well-defined research study; or (b) when the life or health of a valuable or significant tree is threatened and neonicotinoid application is the least environmentally impactful option.

4.5.4 Pursuant to Chapter 16.30 BIMC, the City will not purchase any pesticide, except for those included on the Least Toxic Products List established by Resolution 2003-23 or subsequent resolutions of the City Council.

5.0 PUBLIC WORKS PROJECTS

As defined in RCW 39.04.010, *public works* include all work, construction, alteration, repair, or improvement (other than *ordinary maintenance* and professional services associated with the public works project) executed at the City's cost, or which is by law a lien or charge on any property therein.

5.1 DEFINING PROJECT COST

The cost of a public works project includes the costs of materials, supplies, equipment, and labor on the construction of that project. Section 2.0 of this manual provides additional guidance on determining project cost.

5.2 BID REQUIREMENTS

Pursuant to RCW 35A.40.210, procedures for any public work undertaken by the City is governed by RCW 35.23.352, which requires the City to call for bids whenever the cost of a public work exceeds \$150,000, if more than one craft or trade is involved. If only a single craft or trade is involved, or if the project is for street signalization or street lighting, bids must be called for if the cost is greater than \$75,500. RCW 35.23.352 also authorizes the City to utilize, at the City's discretion, the statewide small works roster outlined in RCW 39.04.151 and the small works roster process outlined in RCW 39.04.152, described in more detail in Section 5.3 below.

In accordance with these provisions of state law, the following cost thresholds and bidding procedures apply when the City is soliciting bids for a public works project:

5.2.1 \$0 to \$350,000 – Small Works Project

If the estimated cost of the public works project is \$0 to \$350,000 and the City determines that the work should be performed by small works contract, the City shall solicit quotes from all on the appropriate small works roster list and as further described in Section 5.3 of this policy. The award is made to the responsible bidder with the lowest responsive bid. Process steps are also further outlined in Section 16.0 Summary of Procurement Guidelines.

If the estimated cost of the public works project is \$250,000 or greater and funded in whole or in part by Federal funds, then the formal competitive bidding process outlined in Section 6.0 is required. This threshold is set by the federal government at 2 CFR § 200.88 and 48 CFR § 2.101 ("Simplified acquisition threshold") and is subject to periodic adjustment for inflation pursuant to 41 U.S.C. § 1908.

Note: For projects \$350,000 or less, a formal bid process as outlined in Section 5.2.3 and 6.0, may be used as an alternative to the Small Works process.

5.2.3 \$350,001 or Greater – Large Bid Build Project

If the estimated cost of the public works project is greater than \$350,000, the formal competitive bid process outlined in Section 6.0, is required.

Note: All construction projects greater than \$350,000 must receive authorization for advertisement by the City Council. Typically, this approval takes the form of a consent agenda item that includes the scope of work, CIP (if applicable) or available budget, vicinity map, estimated bid window, and estimated cost if available. Any other information that may be relevant to the project may be added to help the Council understand the nature of the project.

5.3 SMALL WORKS ROSTER PROCESS

Under WAC 200-330-040 and RCW 39.04.152, the City is authorized to use the small works roster process to award public work contracts estimated to cost \$350,000 or less (excluding sales tax). The city authorizes the small works process using the invitation to bid option only.

Under RCW 39.04.151, a small works roster consists of all responsible contractors who have requested to be listed and are properly licensed or registered to perform such work in the State of Washington. As an alternative to creating and maintaining the City's own small works roster for construction of public works projects, the City Manager has authorized the City to enter into an agreement with the Municipal Research and Services Center (MRSC) for the use of the statewide small works roster.

All contractors on the applicable roster shall be included in the invitation to bid. An invitation for bid shall include,

- Scope of work
- Schedule
- Engineers Estimate
- Bid Evaluation / Award Criteria
- Contract
- Bid Form (including bid due date and how to submit bid)
- Contact Information

The below chart outlines the small works process at each project estimate threshold. The chart in Chapter 16, Summary of Procurement Guidelines, gives greater guidance on signing authorities and contract mechanisms allowed for small works use.

Project Estimate	Competition	Retainage	Payment & Performance Bonds	Intent & Affidavit
Under \$150,000	Invite bids from every contractor on the *project specific roster.	\$20,000 and under, retainage is not required unless project manager deems necessary. Payment & Performance (P&P) Bonds are not required for projects less than \$5,000. For projects \$5,000 or more, a contractor may request the City to retain 10% of the contract amount in lieu of the bonds (as per RCW39.08.10). Otherwise, P&P bonds are required.		Intents and Affidavits required for all small works projects.
		\$20,001 - \$149,999, Project Manager determines if retainage is required or waived. P&P bonds are required for projects \$5,000 or more if the retainage in lieu of bonds option is not requested by contractor.		
\$150,000 - \$350,000		Required	Required	

*Project Specific Roster is the list of contractors provided from the statewide small works roster, specific to the type of work being queried.

RCW 39.04.152 requires the City to annually publish a list (or location of list) of small works contracts awarded. The list shall contain the name of the contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items purchased under the contract, and the date the contract was awarded. The list should also note the location where the bid quotations for the contracts reside for public inspection.

5.4 UNIT PRICE CONTRACTS

Under RCW 35.23.352(13), the City is authorized to procure public works with a unit priced contract, also known as an "On-Call" public works contract. Unit priced contracts allow the City to contract for anticipated types of public works projects on a recurring basis, where the contractor agrees to supply an indefinite quantity of work at a defined unit price over a fixed period.

Unit priced contracts are executed for an initial contract term not to exceed three years. However, there is an option of extending the contract for one additional year.

Unit priced contracts must be awarded to the lowest responsible bidder, and unit price contractors must pay prevailing wages in accordance with RCW 35.23.352(13)(e). The City shall comply with all of the requirements of RCW 35.23.352(13) when soliciting bids and awarding unit priced contracts.

5.5 PUBLIC WORKS PERFORMED BY CITY EMPLOYEES

RCW 35.23.352(1) allows City employees to perform public works projects if the project's estimated cost is lower than the bidding limits (\$75,500 single craft/trade or \$150,000 multiple craft/trade).

Work performed within the City by other public employees under an interlocal agreement shall also be included in these limits.

5.6 PREVAILING WAGES

It is the City's duty per RCW 39.12.040 to require contractors to pay prevailing wages on all public works contracts.

All contractor/subcontractor "Statements of Intent (SOI) to Pay Prevailing Wages" must be posted and viewable on Washington State's Department of Labor and Industries Prevailing Wage Intents and Affidavits (PWIA) portal prior to any project payment made on a project. An "Affidavit of Wages Paid (AWP)" must be posted and viewable in the PWIA following the City Managers project acceptance. As for RCW 60.28.011, projects funded with Federal transportation funds (whole or in part), must have all "Affidavits of Wages Paid (AWP)" posted for view within the PWIA portal prior to the City Managers project (contract) acceptance.

For unit-priced contracts, prevailing wage rates must be updated annually, using the rates in effect at the beginning of each contract year, and intents and affidavits for prevailing wages paid must be submitted annually for all work completed during the previous 12 months.

5.7 PAYMENT AND PERFORMANCE BONDS

Payment and performance bonds ensure the contracted work will be completed, and that workers, vendors and subcontractors will be paid.

RCW 39.08.010 requires payment and performance bonds for every public works contract except as described below:

- For small works projects less than \$5000, payment and performance bonds are not required.
- RCW 39.08.010 allows the City, at the option of the contractor, to retain 10% of the contract in lieu of bonds on contracts less than \$150,000. This 10% will be held for 30 days after project acceptance, or until receipt of all necessary releases from the Department of Revenue, Department of Labor & Industries, and Employment Security Department and settlement of any liens filed under Chapter 60.28 RCW, whichever is later. The intent of this exception is to assist small-scale contractors who may have difficulty securing bonds. If this request is not made, the contractor is required to provide payment and performance bonds for projects \$5000 and greater.

- For Small Works projects estimated between \$150,000 to \$350,000, Payment and Performance bonds are required.
- All bonds shall be executed by a surety company authorized to do business in Washington State, in an amount equal to 100% of the price specified in the contract. The bonds shall be issued on a form approved by the City Attorney's Office.
- RCW 39.08.015 subjects the City to claims of laborers, materialmen, subcontractor, and mechanics if the required payment and performance bonds are not obtained.

5.8 CONTRACT RETAINAGE

Contract Retainage ensures that any claims, taxes, or penalties associated with the contracted work will be satisfied.

RCW 60.28.011(1)(a) requires contract retainage for every public works contract, except as described below:

- RCW 39.04.152(5) allows the City to waive contract retainage requirements for contracts awarded through the small works process. It is the City's practice to require contract retainage on all contracts \$150,000 and greater and for any project less than \$150,000 that is deemed high risk or complex.
- Under RCW 60.28.011(1)(b), the City is prohibited from withholding retainage in public works projects funded in whole or in part by federal transportation funds. Instead, agencies must rely on the contractor's payment and performance bonds.

5.9 PUBLIC WORKS OVER \$1 MILLION

Under RCW 39.30.060, for all construction, alteration or repair of any public works project expected to cost one million dollars or more, the City must require each prime contract bidder to submit as part of the bid, or within one hour after the published bid submittal time, the names of the subcontractors with whom the bidder, if awarded the contract, will subcontract for performance of the work of: HVAC (heating, ventilation, and air conditioning); plumbing as described in RCW 18.106; and electrical as described in RCW 19.28, or to name itself for the work; and within 48 hours after the published bid submittal time, the names of the subcontractors with whom the bidder, if awarded the contract, will subcontract for performance of the work of structural steel installation and rebar installation. Failure of the prime contract bidder to submit as part of the bid the names of such subcontractors or to name itself to perform such work or the naming of two or more subcontractors to perform the same work shall render the primary contract bidder's bid nonresponsive and, therefore, void.

5.10 CONSTRUCTION CHANGE ORDERS

Change orders are to be approved in accordance with the cost thresholds outlined in this section, provided that the changes do not increase the project's cost more than previously approved budget appropriations.

The City Council must approve any change order that increases a project's cost beyond previously approved budget appropriations.

5.10.1 Contract totals up to \$500,000, the City Manager or designee may approve cumulative change orders up to \$50,000.

5.10.2 Contract totals greater than \$500,000, the City Manager or designee may approve cumulative change orders up to 10% of the original contract value, after which the Council must authorize the City Manager or designee to approve all future changes.

In the event unforeseen conditions necessitate an immediate change to avoid a contractor's claim against the City for delays, or to avoid other critical cost or risk factors, the City Manager or designee may authorize and direct work irrespective of the limits above, provided any work change directive issued in excess of the City Manager's authority shall be incorporated into a change order and presented to the City Council as soon as practicable.

5.11 PROJECT ACCEPTANCE

At the completion of a public works project, as confirmed by the Director of Public Works or designee, the City Manager or designee is authorized to accept the work. For all projects more than \$350,000, the Public Works Department will, via consent agenda, request City Council's concurrence with the City Manager's recommendation for project acceptance.

The Director of Public Works, Director of Planning and Community Development, and the Director of Finance, or their designees, are further authorized to sign exoneration and release forms for bonds and other security devices submitted with respect to project completion.

5.12 APPRENTICESHIP

In accordance with RCW39.04.320, for all public works estimated to cost two million dollars or more, the State of Washington requires no less than 15% of the labor hours be performed by apprentices. A contractor or subcontractor may not be required to exceed the 15% requirement. On applicable projects, the bid documents shall include an Acknowledgment of Apprenticeship Utilization form that must be submitted at time of bid. The acknowledgment notes the contractor will provide an Apprentice Utilization Plan (AUP) prior to Notice to Proceed. The Plan shall reference the minimum required percentage of apprentice labor hours compared to the total labor hours. The project's apprenticeship utilization rate (AUR) will be monitored by the project manager using the Labor and Industries (LNI) project portal. The project's AUR will be confirmed by the agency using the approved affidavits from the LNI portal.

- A. **Incentives** - A contractor who meets or exceeds the AUR on eligible contracts will be awarded a monetary incentive described in the bid specifications. The incentive payment will be made to the prime contractor upon project acceptance.
- B. **Penalties** – A contractor who fails to meet the utilization requirement and fails to demonstrate a Good Faith Effort (GFE), as outlined below, is subject to penalties described in the bid specifications. The prime contractor will receive an invoice payable to the city prior to final project payment.
- C. **Cost Value** – The expected cost values associated with meeting the goal is included in the base bid as described on the bid form.
- D. **Utilization Plan** – The contractor shall provide an AUP demonstrating how and when they intend to achieve the AUR. The plan shall have enough information to track the Contractors progress in meeting the utilization requirement. The contractor shall submit the plan on the AUP template prior to Notice to Proceed. The contractor shall provide an updated AUP during construction when there are significant changes to work, subs, or schedule which may affect their ability to meet the requirement. If the plan indicates that the contractor will not attain the AUR during the construction period, then the contractor must submit a Good Faith Effort (GFE) document to the City for review.
- E. **Good Faith Effort** - A Good Faith Effort (GFE) as it applies to apprenticeship, is used as an option and requires the contractor to provide documentation to the City that they tried to attain the Apprenticeship Utilization Requirement (AUR).
If a GFE is the option chosen by the contractor, then the Apprentice Utilization Good Faith Efforts Documentation form shall be submitted to the agency outlining in detail why they were not able to attain the Apprenticeship Utilization Rate (AUR).

6.0 COMPETITIVE BIDDING PROCEDURES

6.1 PUBLIC NOTICE

Whenever the cost of the public work or improvement, including materials, supplies, and equipment, will exceed the amounts outlined in RCW 35.23.352(1), the same shall be done by contract. All such contracts shall be let at public bidding. For contracts that require a formal competitive bidding process, a notice shall be published in the official newspaper at least 13 days prior to the due date for bids. For all Federal Aid projects as per the WSDOT LAG Manual Chapter 46.2.24, an advertisement must run for a three-week period prior to opening of the bids. They must run at least twice, 21 calendar days prior to the last date upon which the bids will be received.

Advertisements for bids should include, at a minimum, the following items:

- Title of the project
- Nature and scope of the work
- Materials and equipment to be furnished
- Where contract documents (plans, specifications) may be obtained
- Cost to obtain a set of contract documents
- Place, date, and time that bids are due
- Statement that a bid bond must accompany the bid
- Statements that the City retains the right to reject any or all bids, and to waive minor irregularities in the bidding process
- Title VI, ADA, Veteran, and WMBE requirements and reference language as noted in Section 1.5

6.2 BID SPECIFICATIONS

Bid specifications should incorporate a clear and accurate description of the technical requirements for the material, product, or service to be provided. Such descriptions should not contain features that unduly restrict competition.

When it is impractical or uneconomical to make clear and accurate description requirements, a “brand name or equal” description may be used. The responsibility of demonstrating to the City’s satisfaction that a product is “equal” to that specified shall be on the vendor proposing the substitution.

Requests for approval of substitutions must be made with sufficient time to allow the City to adequately review the proposal, including time for vendors to respond to questions and requests for additional information or clarification. The City has no obligation to accept proposed substitutions.

Acceptance of a substitute product proposed as an “equal” to that specified will be made in writing. If this acceptance occurs prior to the bid, other bidders will be notified to the extent practical.

6.3 AWARD

The contract will be awarded to the lowest responsive and responsible bidder whose bid meets the requirements and criteria included in the invitation for bids, or all bids will be rejected. However, in accordance with RCW 35.23.352(2), if the City issues a written finding that the lowest responsive and responsible bidder has delivered a project to the City within the last three years which was late, over budget, or did not meet specifications, and the City does not find in writing that such bidder has shown how they would improve performance to be likely to meet project specifications, then the City may award the contract to the second lowest responsive and responsible bidder whose bid is within five percent of the lowest bid. If in any year a contract is awarded to the second lowest responsive and responsible bidder in this manner, the City will prepare an annual report as required under RCW 35.23.352(14).

RCW 39.04.350 establishes bidder responsibility criteria. Before the City may accept a contractor's bid, the contractor must:

- Be a registered contractor at the time of bid submittal (RCW 18.27.020)
- Have a current Unified Business Identifier (UBI) number
- Have industrial insurance coverage
- Have an employment security department number
- Have a state excise tax registration number
- Have never been disqualified (debarred) from bidding under RCW 39.06.010 or 39.12.065(3)

The City also requires that the contractor must:

- Have or agree to obtain a current City business license
- Be current with all applicable licenses, taxes, and fees owed to the City of Bainbridge Island

In addition, the City adopts the following supplemental criteria which may be used in connection with specified projects:

- The ability, capacity, and skill of the bidder to perform the contract or provide the service required
- The character, integrity, reputation, judgment, experience, and efficiency of the bidder
- The ability of the bidder to perform the scope of work within the time specified
- The quality of performance of previous contracts or services
- The previous and existing compliance by the bidder with laws relating to the contract or services
- Such other information as may be secured having a bearing on the decision to award the contract

When using the supplemental criteria described above, the City will include the supplemental criteria in the bidding documents, together with a basis for evaluation, deadline for bidder to submit responsibility documentation, and deadline for bidder to appeal a "not responsible" determination.

When a trade-in option exists, as it is applied to competitive purchases, and is in the City's best interest, the price offered on the trade will be considered when determining the lowest responsive and responsible bid.

RCW 39.30.040 allows any local sales tax revenue generated by the purchase to be considered in determining the lowest responsive and responsible bid. Other preferences favoring local businesses are not permitted.

6.4 CANCELLATION

An invitation for bids may be cancelled. Additionally, the City (at its sole discretion) may choose to reject any or all bids, in whole or in part, except as otherwise provided under state or federal law or as conditions of receiving state or federal funding.

6.5 SUBMITTAL OF BIDS

Bids will be submitted as specified in the invitation for bid by the appointed date and time listed in the invitation. Each bid will be dated, and time stamped as it is received. Late bids will not be accepted. If the bid is a sealed bid, all qualified bids will be opened and read aloud publicly at the appointed time.

No City representative shall inform a contractor of the terms or amount of any other contractor's bid for the same project prior to the bid opening date and time. Once bids have been submitted (and opened, if the bids are sealed), the city may not negotiate with bidders. The contract must be awarded to the lowest responsive and responsible bidder in accordance with Section 6.3, or else all bids must be rejected.

A written record shall be made of each contractor's bid on a project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations shall be recorded, open to public inspection, and available by electronic request.

Original specifications and the original bid responses will be retained for review and audit as required.

6.6 BID SURETY

In accordance with RCW 35.23.352(1), each bid submitted through a formal competitive bidding process shall be accompanied by a bid surety for a sum of not less than five percent of the amount of the bid. The bid surety may be in the form of a cashier's check, postal money order, or surety bond provided by a surety company that is authorized to do business in Washington State on a form approved by the City Attorney's Office. No bid solicited through a formal competitive bidding process shall be considered unless accompanied by such a bid surety.

A bid surety is only required for bids solicited through a formal competitive bidding process. A bid surety is not required for bids solicited through the small works roster process, limited public works process, or through the procedures described in Sections 5.2.1 – 5.2.4.

However, if a public works project is estimated to be \$250,000 or greater and will be funded in whole or in part with federal funds, a formal competitive bidding process, that which requires a bid surety, is required.

If a bidder is permitted to withdraw a bid before award, its bid surety shall be returned.

6.7 NON-COLLUSION AFFIDAVIT

Each bidder shall be required to warrant that their bid is genuine, and that they have not entered into collusion with other bidders, by submitting with their bid an executed and notarized affidavit on a form approved by the City Attorney.

7.0 PROFESSIONAL SERVICES

Professional services are services which provide professional or technical expertise to accomplish a specific study, project, task, or other work statement.

Professional services include, but are not limited to:

- Architectural, engineering, or surveying services
- Accounting and auditing
- Bond or insurance brokerage
- Consulting services
- Legal services
- Real estate appraisal or title abstracts
- Relocation assistance
- Design
- Soils analysis or core testing

7.1 SELECTION PROCESS

Under Chapter 39.80 RCW, a selection process defined by the review of qualifications is required for all architectural, engineering, or surveying (AES) services. Procedures are fully outlined for AES work in Section 8.0. For all other professional services, the selection process is outlined in this Section.

7.2 CONSULTANT SOLICITATION

Except as required under Chapter 39.80 RCW (see Section 8.0) the City may use, as the first step in the evaluation and hiring of a consultant to provide professional services, resources such as the statewide annual consultant roster a list of one or more options generated by research, or by solicitation of a Request for Qualifications (RFQ) or a Request for Proposals (RFP) or as described below for specific estimated spending amounts. The list of qualified consultants gained from one of these exercises may be retained for a period of six months to be called upon for additional RFPs/scopes of work as needed. For larger projects, as defined below, an advertised RFQ or RFP is required. The primary difference between an RFQ and an RFP is that an RFQ solicits desirable *qualifications* for a *type* of work to be conducted, while an RFP solicits *scope* of work and price.

Soliciting for all services should include language related to subjects such as Americans with Disability, Women & Veteran owned business, and Title VI language (See Section 1.5 for language use). RCW 39.80 should be followed when soliciting for Architectural and Engineering services as outlined in Section 8.0.

An RFQ should include:

- Desirable Qualifications
- Submittal Content (e.g., resume(s), three references, samples of work)
- Estimated budget
- Estimated schedule
- Evaluation criteria
- General Provisions and Conditions
 - e.g., The City reserves the right to
 - Reject any and all responses
 - Cancel, revise, or extend this solicitation
 - Request additional information
 - Have the final decision on the selection
 - Modify the timeline and issue addenda to this document
- Instructions regarding the submittal information
 - e.g., page limitations, number of copies, etc.
- Evaluation/Selection Process deadlines

An RFP should include:

- Scope of Work, describing project tasks
- Estimated Budget
- Estimated Schedule
- Proposed Cost
- Proposed Schedule
- Copy of Professional Services Agreement Terms & Conditions
- Submittal Content (e.g., resume(s), three references, samples of work)
- Evaluation criteria
- General Provisions and Conditions
 - e.g., The City reserves the right to
 - Reject any and all responses
 - Cancel, revise, or extend this solicitation
 - Request additional information
 - Have the final decision on the selection
 - Modify the timeline and issue addenda to this document
- Instructions regarding the submittal information
 - e.g., page limitations, number of copies, etc.
- Evaluation/Selection Process deadlines

Project staff should review and confirm that all proposals received meet the requirements outlined in the solicitation. For projects estimated to cost up to \$25k, the department director will review the project staff recommendations. For projects greater than \$50k, project staff will establish a panel of three staff and or other stakeholders to evaluate and score each firm's proposal. The scoring will determine the order in which the firms are qualified. In all cases after the best firm is determined, fees may be discussed and negotiated. If the fee for work cannot be negotiated successfully, project staff may work with the next firm ranked in order

Agency guidelines for the solicitation of non – Architectural, Engineering and Surveying (AES) agreements are as follows:

Examples of Non-AES service contracts: Legal Assistance, Financial Advisement, Advertisement Services, Employment/Recruiting Services, etc.

Estimated Cost for Services: \$0 to \$25,000

- No competitive solicitation required.

Estimated Cost for Services – Minimal Competition: \$25,001-\$50,000

- Project Staff may select consultant(s) from a roster or other source without advertisement.
 - Develop detailed criteria and prepare RFP/RFQ
 - Distribute to 2-3 firms for a proposal in response to the RFP/RFQ
 - Evaluate submittals and make award decisions
 - Document to project file, the selection decision process

Estimated Cost for Services – Informal Competition: \$50,001-\$99,999

- Project Staff may select consultant(s) from a roster or other source without advertisement.
 - Develop detailed criteria and prepare RFP/RFQ
 - Distribute to 3-5 firms for a proposal in response to the RFP/RFQ
 - Evaluate submittals and make award decisions
 - For services greater than \$50,000, establish a panel of three staff members and/or other stakeholders to evaluate and score each firm's proposal

Estimated Cost for Services – Formal Competition: \$100,000 and above

(All Architectural, Engineering and Surveying (AES) services regardless of cost, must follow this process as further defined in RCW 39.80. Solicitation for AES services may not request a price. The City must first select the most qualified firm and then negotiate a price for the project.)

Note: Solicitation for all estimated Professional services that may cost \$100,000 and above must be authorized by the City Council. Typically, this approval takes the form of a consent agenda item that provides information on the scope of work of the project, and the estimated budget and cost.

- A more structured process is followed and the selection of potential firms from a roster or via a formal advertisement must be used.
 - Develop detailed criteria and prepare RFP/RFQ
 - Advertise on the City's website, in newspaper of record, and in the Daily Journal of Commerce
 - Evaluate RFQ/RFP submittals and short-list multiple firms for further consideration.
 - If an RFQ was used first, request detailed proposals from short listed firms
 - Establish panel, hold interviews, and check references
 - Evaluate proposals, establish recommended award decision, and present to Department Director for approval

For guidance on Amendments to service agreements, see Section 9.0.

All projects that are funded by state/federal grant funds must follow the guidelines set forth in the grant agreement. For example, a WSDOT federally funded project must formally advertise for service contracts regardless of the estimated cost threshold (See section 31.12a of the WSDOT Local Agency Guidelines).

8.0 ARCHITECTURAL, ENGINEERING, AND SURVEYING SERVICES

Services for professional architectural (including landscape architectural), engineering, or surveying (AES) services are procured using the Qualifications-Based Selection (QBS) requirements in Chapter 39.80 RCW. Examples include architectural plans, road design, and sewer and water system design. City requirements for "Formal Competition" are further outlined in Section 7.0 and must be followed regardless of price.

8.1 ANNUAL ROSTER

As an alternative to creating and maintaining the City's own annual roster for the procurement of architectural, surveying, engineering and other services, the City elects to use the Consultant Roster established under RCW 39.04.151(2) and administered by the Municipal Research Services Center of Washington.

The City encourages architectural, engineering, surveying, and other service consultants to submit to MRSC a statement of qualifications and performance data annually. When services are needed, the City will evaluate current statements of qualifications and performance data on file. The City continues to have the option to formally advertise for consultant qualifications aside from using the Statewide Roster. Federal Requirements for advertising services shall be followed.

8.2 CONSULTANT SOLICITATION AND SERVICE NEGOTIATIONS

Consultant solicitations shall follow the procedures outlined in Section 7 for Formal Competition. The City must select the most qualified consultant first for any services needed.

The City will then negotiate an agreement with the most qualified consultant at a price that the City determines is fair and reasonable. In making its determination, the City will consider the estimated value of the services to be rendered as well as the scope, complexity, and professional nature of the service to be provided. If the City is unable to negotiate a satisfactory agreement with the consultant selected at a price that is determined fair and reasonable, negotiations with that consultant will be formally terminated. Another qualified consultant will then be selected, and the process continues until an agreement is reached or the process is terminated.

9.0 AMENDMENTS (FOR SERVICES AND INTERLOCAL AGREEMENTS)

The City Manager or designee may execute an amendment to an agreement up to \$50,000 without City Council approval, provided that the amendment:

- Provides for a cost increase to the original agreement that does not exceed the signing threshold of \$50,000 in total and is within the approved budget; and/or
- Extend the time of completion only; and/or
- Is solely for development “On-Call” services to ensure compliance with City Codes and regulations by development applications and studies associated with development applications when the cost of the work performed is recovered from applicant reimbursements or application fees. Examples include agreements for geotechnical studies and traffic impact analysis.

All changes to the scope of work must be made by an amendment. Substantial changes to the scope of work must be submitted to the City Attorney for a determination as to whether the work should be a new agreement.

This section does not apply to construction contracts for public works projects. Changes to contracts for public works projects shall be in the form of a change order approved in accordance with Section 5.11.

10.0 COMPETITIVE BIDDING EXEMPTIONS AND EMERGENCIES

Under RCW 39.04.280, competitive bidding requirements may be waived for:

- a. Purchases that are clearly and legitimately limited to a single source of supply.
- b. Purchases involving special facilities or market conditions.
- c. Purchases in the event of an emergency.
- d. Purchases of insurance or bonds; and
- e. Public works in the event of an emergency.

Purchases may be made from a *sole source* vendor without soliciting other quotes or bids. In non-emergency situations, written documentation demonstrating the appropriateness of a sole source purchase shall be submitted to the Finance Department in advance of the purchase. Finance (and the City Attorney, when needed) will evaluate whether a vendor can legitimately be defined as a sole source.

Purchases involving special facilities or market conditions may be made without soliciting quotes or bids. In non-emergency situations, written documentation demonstrating the appropriateness of a purchase involving special facilities or market conditions shall be submitted to the Finance Department in advance of the purchase. Finance (and the City Attorney, when needed) will evaluate whether special facilities or market conditions legitimately exist.

In accordance with RCW 39.04.280 and Chapter 2.44 BIMC, if an *emergency* exists, the City Council, the City Manager or designee, the Finance Director, or the person(s) designated by the City Manager or designee to act in the event of an emergency may:

- Declare that an emergency exists.
- Waive competitive requirements.
- Award, on behalf of the City, contracts necessary to address the emergency (including, but not limited to, contracts for architectural and engineering services).

Chapter 2.44 BIMC contains additional provisions relating to emergency management. RCW 39.04.280 requires that a written finding of the existence of an emergency be made and entered into the public record no later than two weeks following the award of the contract. In accordance with BIMC 2.44.110, such written findings authorizing the emergency procurement shall be presented to the City Council for ratification and confirmation, modification, or rejection. However, all emergency procurements under this section shall be in full force and effect until the City Council acts otherwise.

See the Emergency Operations Center (**EOC**) Manual for additional information on the resource request process used in the EOC during emergencies.

11.0 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS

RCW 39.34.030 allows the City to join with other governmental agencies for the purchase of supplies, equipment, or services. This is done by entering into a written Intergovernmental Cooperative Purchasing Agreement (also known as an "Interlocal Agreement").

Prior to making a purchase under such an agreement, the City must ensure that the procedure used by the agency that originally awarded the bid, proposal, or contract is allowable with the City's purchasing policy. The originating agency must also have fulfilled one of two additional public notice requirements:

- Posted the bid or solicitation notice on a web site established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations.
- Provided an access link on the state's web portal to the notice.

The City may also make a bid call with another government entity as a joint purchase that complies with the procurement requirements of both jurisdictions.

When practical, the City should include language in its solicitations that allows other public agencies to purchase from City of Bainbridge Island's contracts or purchase orders, provided that other agencies provide similar rights and reciprocal privileges to the City of Bainbridge Island.

Pursuant to RCW 39.34.030, the City may make purchases through state contracts. The City has signed a Master Contracts Usage Agreement with the Department of Enterprise Services ("DES"). The DES' webpage provides information and instructions for making purchases with the state contract.

The City Manager or designee shall approve all Intergovernmental Cooperative Purchasing Agreements.

12.0 BID PROTESTS

A bidder wishing to protest the City's award of a contract for a public works project that was the subject of competitive bidding must follow the procedures described below. To the extent that these procedures are not followed, the City will not review a bid protest submitted by a bidder.

12.1 REQUESTS FOR COPIES OF BIDS RECEIVED BY CITY

In accordance with RCW 39.04.105, within two business days of the bid opening on a public works project that is the subject of competitive bids, the City will provide, if requested by a bidder, copies of the bids the City received for the public works project. The City will not execute a contract for the public works project for two full business days from the date that copies of the received bids were provided. Intermediate Saturdays, Sundays, and legal holidays are not counted as "business days."

12.2 PROCEDURE FOR SUBMISSION OF A BID PROTEST

All bid protests must be filed in writing with the City Clerk and must be submitted no later than: two full business days following bid opening, if no bidder requested copies of the bids

received for the project; or two full business days following the date on which the City provided copies of the bids to requesting bidders. Intermediate Saturdays, Sundays, and legal holidays are not counted as "business days."

All bid protests must:

- Be submitted in writing.
- Explicitly identify itself as a bid protest.
- Explicitly identify the bid/project/request for which the protest is made.
- Explicitly state all reasons and bases in law and fact supporting the protest; and
- Include all supporting documents.

12.3 CONSIDERATION OF A BID PROTEST

Submitted bid protests complying with the requirements outlined above will be reviewed by the City Manager or designee, the City Attorney, and the Public Works Director, or their designees.

The bid protest will be decided based upon the written materials, supporting documents, and other information submitted with the bid protest as well as other records or information known to the City relating to the public works project in question. If a meeting or conference with the protesting bidder would materially assist the City in making its decision, a meeting may be scheduled at the discretion of the City Manager or designee or their designee.

Only those issues identified by the bidder in the written protest filed with the City Clerk will be considered. The City Attorney or their designee will issue a written decision no later than 10

business days after the filing of the bid protest with the City Clerk, which shall be the final decision of the City on the bid protest.

13.0 SALE OR DISPOSAL OF CITY PERSONAL PROPERTY

13.1 AUTHORIZATION

The City Manager or designee may authorize the sale or disposal of personal property owned by the City, provided that the property is no longer needed and that notice of intention to sell is given as provided in this section. Personal property will be deemed as surplus or scrap.

Permission must be obtained from the grantor before selling or disposing of any personal property which was purchased with grant funding. Failure to obtain permission could obligate the City to repay grant funding used to purchase the personal property.

13.2 SALE VERSUS DISPOSAL

Sales of surplus items to other governmental agencies may occur via private sale. Other sales of surplus items shall be sold via public auction. It is the City's policy to utilize third-party auction services rather than conduct the auction itself.

Scrap may be sold via public auction, via private sale at prices established by current market conditions or may be disposed of if there is not a viable market. The City Manager or designee may donate items with a nominal value to a charitable organization which is tax exempt pursuant to Internal Revenue Code Section 501(c)(3).

13.3 TRADE-INS

Trade-in of old equipment to upgrade similar or reasonably related equipment is permitted when it is in the best interest of the City. The requesting Department Director shall be responsible for the sale, trade, or other disposition of surplus property and scrap belonging to the City of Bainbridge Island when used for a trade-in.

13.4 PUBLIC NOTICE OF SALE

If the City opts not to use a third-party auction service and instead chooses to conduct an auction itself, the notice of intent to sell surplus or scrap at a public sale shall be published once a week for two consecutive weeks in the City's official newspaper immediately prior to the sale. The notice shall state the time and place at which the property will be sold. Any other reasonable means to attract potential buyers to the sale may be used in conjunction with the notice posted in the official newspaper.

13.5 CONFLICT OF INTEREST

Because City employees have more information than the public about City property to be auctioned and an appearance of fairness is necessary to maintain the public trust, employees, their spouses, and their agents are not permitted to bid on or buy personal property auctioned or sold directly by the City.

13.6 INVENTORIED ITEMS

Surplus, scrap, or trade-in of any inventoried item will be confirmed by the employee responsible and approved by the Department Director. A Property Disposition form will be completed and submitted to the Finance Department.

Each Department will be responsible for storing and retaining an inventory of such property until disposition instructions.

14.0 ADDITIONAL SIGNING AUTHORITY

14.1 GRANTS

If a grant would require the City to contribute more than \$50,000 in material matching dollars (matching dollars must be budgeted), then the City Manager or designee will seek City Council approval prior to applying. The City Council may also initiate the process of pursuing a grant. If other entities, such as non-profit organizations or community interest groups, wish to apply for a grant on behalf of the City, the group must first obtain the approval of City Council.

The City Manager or designee is authorized to execute all required agreements and documents with a grant-issuing agency to effectuate any grant approved or accepted by the City Council.

Amendments to grants that simply extend the term of the grant may be approved by the City Manager or designee.

14.2 INTERLOCAL AGREEMENTS

All interlocal and interagency agreements must be approved by City Council. Amendments to interlocal agreements that simply extend the term of the agreement may be approved by the City Manager or designee. See Section 9.0 for more details.

14.3 REAL PROPERTY

Contracts and agreements that relate to real property (other than as described below) must be approved by the City Council.

The City Manager or designee is authorized to enter into leases of real property where the rent does not exceed \$50,000 total over the term of the lease; Provided, that the City Council's approval is required for all leases of real property that are for a term of more than five (5) years.

The City Manager or designee is authorized to enter into licenses, permits, or other agreements in order to manage the use of the City's right-of-way. Any such license, permit, or other agreement shall contain the provisions set forth in Resolution No. 2013-09.

The City Manager or designee, Director of Public Works and Director of Planning and Community Development are authorized to accept dedications, easements, rights-of-way, fee estates, or other interests in real property for use by or on behalf of the city. Pursuant to this authority, the City Manager or designee, the Director of Public Works, or the Director of Planning and Community Development are each authorized to sign and accept delivery of real property acquisition documents on behalf of the City.

The Director of Planning and Community Development is further authorized to sign and accept documents relating to any notice to title recorded with Kitsap County in connection with the Critical Areas ordinance.

14.4 SETTLEMENT AUTHORITY

The City Manager or designee is authorized to sign settlement agreements requiring the City to pay less than \$50,000 to resolve and settle any damage claims or suits against the City and to execute all necessary documents pursuant to the resolution of such claims. The City Manager or designee shall have further authority to approve the issuance of checks pursuant to the resolution of such claims. Claims settled by the City Manager or designee under this authority will be reported to the City Council at the next City Council meeting following the settlement.

15.0 COMPLIANCE WITH POLICY

A violation of any of the provisions of this policy may result in discipline to the individual involved where, in the opinion of the City Manager or designee (in the case of employees) or the City Council (in the case of the City Manager or designee), such discipline is in the interest of the public and good government.

Officers and employees should be aware of possible personal penalties, termination, and financial liability for intentional or willful violation of competitive bidding laws. RCW 39.30.020 states:

In addition to any other remedies or penalties contained in any law, municipal charter, ordinance, resolution, or other enactment, any municipal officer by or through whom or under whose supervision, in whole or in part, any contract is made in willful and intentional violation of any law, municipal charter, ordinance, resolution or other enactment requiring competitive bidding or procurement procedures for consulting architectural, engineering, or other services, upon such contract shall be held liable to civil penalty of not less than three hundred dollars and may be liable, jointly and severally with any other such municipal officer, for all consequential damages to the municipal corporation. If, as a result of a criminal action, the violation is found to have been intentional, the municipal officer shall immediately forfeit his or her office. For purposes of this section, "municipal officer" means an "officer" or "municipal officer" as those terms are defined in RCW 42.23.020(2).

16.0 SUMMARY OF PROCUREMENT GUIDELINES

SERVICES

ESTIMATED VALUE	\$0 - \$5,000	\$5,001 - \$25,000	\$25,001 - \$50,000	\$50,001 - \$99,999	\$100,000 and above
Procurement Authority	City Manager or designee \$20,000 or below, Director may authorize purchase			City Council	
<i>Purchased Services (Non-Professional) (Non-Public Works). Steps further outlined in Section 4.0.</i>	No solicitation needed. Direct negotiations with vendor. Award on qualifications and price when possible.		Solicit three vendor quotes when possible.		Solicit at least 3 vendor quotes which shall be submitted in writing. The award will be made based on qualifications and price.
Agreement/Contract Mechanism	No agreement	PO Contract	Service Agreement		
<i>Professional Services. Steps further outlined in Section 7.0.</i>	No solicitation needed.		<i>Minimal Competition - Solicit 2-3 consultants.</i>	<i>Informal Competition Solicit 3-5 consultants.</i>	<i>Formal Competition - The selection of potential consultants must be done via formal advertisement. Narrow down to the most qualified consultants.</i>
Agreement/Contract Mechanism	No agreement	Service Agreement			
<i>Professional Services – AES only Steps further outlined in Section 8.0.</i>	Solicit work using Statewide Roster or via formal Advertisement. (See Formal Competition steps in Section 7.0)				
Agreement/Contract Mechanism	Service Agreement				

FOR ALL FEDERAL CONTRACTS, SERVICES MUST BE FORMALLY ADVERTISED – RFQ
 FOR ALL AES SERVICES, MUST FOLLOW FORMAL COMPETITION PROCESS

GOODS

ESTIMATED VALUE	\$0 - \$5,000	\$5,001 - \$25,000	\$25,001 - \$50,000	\$50,001 - \$99,999	\$100,000 and above
Procurement Authority	City Manager or designee \$20,000 or below, Director may authorize purchases			City Council	
<i>Public Works related purchases (Section 5.0)</i>	See PUBLIC WORKS CONSTRUCTION & UNIT PRICE CONTRACTS Table on following page				
Agreement/Contract Mechanism	No solicitation needed. Direct negotiations with vendor, award on best qualifications and price when possible.		Solicit three vendor quotes when possible.		Solicit at least three vendor quotes which shall be submitted in writing. The award will be made based on price.
Agreement/Contract Mechanism	No agreement	Purchase Order			

PUBLIC WORKS CONSTRUCTION & UNIT PRICE PROJECTS

SECTION 5.0

All equipment, supplies, and materials purchased separately but as part of the Public Work project, will be part of the aggregate cost of all phases of the project when determining the applicable bid process to be used. Municipalities may not break public works projects into separate phases or parts to avoid compliance with bidding statutes (RCW35.23.352(1)) - "Bid Splitting" is defined in Section 2.2.

Estimated Cost	Procurement Authority	Purchase/Bidding Process	Contract Mechanism	
\$0 - \$20,000	Dept. Director (If authorized)	Utilize the Statewide Small Works Roster and Invite bids from every contractor on the project specific roster.	PO Contract	Unit Price Contract (Follow the same estimated amounts and procurement authority requirements)
\$20,001 - \$50,000	City Manager		Small Works Project – Small Project Contract	
\$50,001-\$149,999	City Council		Small Works Project – Standard Contract	
\$150,000 - \$350,000 *See note below				
\$350,001 and greater	City Council	Formal competitive bidding process with advertisement Note: Request authorization from Council prior to advertising, as per Section 5.2.3.	Formal Bid Contract	

*If the public works project is \$250,000 or greater and is funded in whole or in part with federal funds, a formal bid process is required. This threshold is set by the federal government at 2 CFR § 200.88 and 48 CFR § 2.101 ("Simplified acquisition threshold") and is subject to periodic adjustment for inflation pursuant to 41 U.S.C. § 1908.