

City of Edmonds



Contracting and Purchasing

**Policies
and
Procedures**

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Policy

The City of Edmonds will acquire goods and services in a manner that results in the most efficient delivery of the same considering cost and value received.

To avoid conflict of interest, procurement will be impartial. Procurement of goods and services will provide the City with the best quality for the best value and will be for the benefit of the public. Employees are prohibited from making purchases for personal use and charging any City vendor account. Purchases will be made within budget limits and to meet goals and objectives approved in the City's budget. Potential purchases that are not within budget limits will be pre-approved through a budget amendment process. All City purchases will ultimately be approved by the City Council through the voucher approval process.

Purpose

This administrative manual establishes City responsibilities and policies, procedures, and practices to follow to purchase equipment, materials, and services. All employees must follow established policies and procedures. The City's purchasing policies and procedures, however, are intended solely for the benefit of the City. Nothing therein shall be interpreted to create any specially benefited or protected class of persons, or any private cause of action against the City. Adherence to policies and procedures will ensure that public purchases and contracts are open, fair, and at the least cost to the public. Policies and procedures are divided into six major areas: 1) Procurement of Products, 2) Procurement of Professional Services, 3) Procurement of Public Works, 4) Bidding Requirements, 5) Reimbursement of Expenses, and 6) Other Issues.

Authority

A department director (or designee), acting within his/her department budget, is authorized to provide for supplies and services purchases. To ensure the City's fiscal responsibility, purchases are coordinated through the Finance Department. The City's procurement procedures are based on Revised Code of Washington minimum standards, Edmonds City Council adopted resolutions and ordinances, rules and guidelines from the State Auditor's Office, and recommendations from Municipal Research Services Center.

Parameters

Dollar-value ranges indicated pertain to each purchase (including tax, freight, handling and set up costs, if applicable). Purchases cannot be broken into multiple purchases to avoid compliance with State statutes and City policies.

Procurement of goods or services specifically identified and approved by Council during the budget process are excluded from pre-approval requirements.

Any contract that extends beyond the approved budget cycle or which has continuing provisions (indemnities) which impose obligations beyond the budget cycle must go to Council for authorization; provided that the Mayor (or designees) shall be authorized to execute contracts with indemnity provisions that survive expiration or termination of the contracts if the following conditions are met: (1) City Attorney determines that the indemnity provision is in a standard form that assigns risks in a manner consistent with the costs and purposes of the contract; and (2) the dollar value of the contract is less than \$100,000.

Procurement of Products

Purchasing decisions costing \$50,000 or less must be approved by the department director (or designee). Purchases costing between \$20,000 and \$35,000 require at least three telephone quotes from vendors (unless the items are from a sole source vendor), and completion of the vendor quote form.

Purchasing decisions costing more than \$35,000 but less than \$50,000 must be approved by the department director (or designees). Purchases require written quotations from, if possible, at least three vendors (unless the items are from a sole source vendor or if only two possible vendors can be found).

Purchasing decisions costing more than \$50,000 but less than \$100,000 must be approved by the department director and the Mayor (or their designees). Purchases require written quotations from, if possible, at least three vendors (unless the items are from a sole source vendor or if only two possible vendors can be found).

Purchases in excess of \$100,000 must be bid competitively (unless the items are from a sole source vendor). See Bidding Requirements below. The City Council must authorize the call for bids for a purchase estimated at \$100,000 or more, as well as award the contract.

When soliciting quotes, the City will not inform a vendor of other vendors' quotes.

All quotes/bids must be awarded to the lowest responsible bidder.

Procurement and Surplus of Vehicles and Equipment

The Mayor (or designee) is authorized to approve the purchase of new vehicles and equipment with a value of less than \$250,000, provided funds specific to the equipment or vehicle have been budgeted by the City Council.

The Mayor (or designee) is authorized to surplus vehicles and equipment designated for replacement or disposal in accordance with state law, without reference to the provisions of Chapter 3.01 ECC.

Procurement of Professional Services

A. Professional, Technical, and Other Services

1. Professional, Technical and Other services include disciplines not specifically related to A/E such as attorneys, computer programmers, financial analysts, bond counsels, artists, planners, real estate appraisers, landscapers, etc.
2. Purchase of professional services requires completion of a City professional service contract that describes services to be performed and purchase price.
3. The department director (or designee) must approve purchases of professional services costing \$50,000 or less, and provided funds have been budgeted is authorized to sign the contract.

4. The department director and the Mayor (or their designees) must approve purchases of professional services costing more than \$50,000 but less than \$100,000. The Mayor is authorized to sign the contract provided funds have been budgeted.
5. Professional services with an estimated consultant fee of \$100,000 or greater, require a focused public solicitation to ensure the consultant has the necessary expertise. If the work is not part of a project listed in the most current City Council Approved budget or CIP, a summary of the public solicitation must be put on the City Council agenda for approval prior to advertisement. The City Council must approve Professional Service contracts costing more than \$100,000, and authorize the Mayor to sign the contract.
6. Expertise, experience, including prior experience with the City, timeframe for completing projects, and the value of a negotiated agreement will be considered when choosing a consultant/firm to perform professional services.

B. Architectural, Engineering and Land Surveyor Services (A/E)

1. Procurement of A/E services will be in accordance with Chapter 39.80 RCW, unless the guidelines in 2 CFR 200 apply and are more restrictive, in which case the more restrictive requirements must be met. The statute requires advance notice of the need for professional services (RCW 39.80.030), evaluation of firms' qualifications and performance (RCW 39.80.040), and negotiation with firms in accordance with adjudged qualifications (RCW 39.80.050). A/E purchases will be coordinated through the Public Works Department to ensure compliance with State statutes.
2. The department director (or designee) are designated authority to approve advertising Requests for Qualifications (RFQ's) for A/E services when the estimated consultant contract fee is \$50,000 or less and to approve proceeding with procurement of A/E services using the A/E Consultant Roster, provided funds have been budgeted by Council.
3. The department director and the Mayor (or their designees) must approve consultant contracts when the estimated consultant contract fee is greater than \$50,000, but less than \$100,000, provided funds have been budgeted. The Mayor is authorized to sign the contract.
4. Per Resolution 1155 the City utilizes the A/E consultant roster maintained by Municipal Research and Services Center (MRSC).
5. Selection of an A/E consultant from the consultant roster may be made if the estimated consultant fee is \$100,000 or less. If Federal funds are used to pay for all or a portion of the cost, the City must perform formal bidding at the federal threshold of \$100,000 under Pre-UG or \$150,000 under UG.
6. All projects with an estimated A/E consultant fee of \$100,000 or greater, and projects that are sufficiently complex/unique will require a focused public solicitation advertised as a Request for Qualification (RFQ's) to ensure the A/E consultant has the necessary expertise. If the project is not listed in the City's current City Council Approved budget or CIP, a summary of the RFQ and project details must be put on the City Council agenda for approval prior to advertising the RFQ. The City Council must approve A/E Professional Service contracts costing more than \$100,000, and authorize the Mayor to sign the contract.
7. A selection panel, with a minimum of three employees, shall be used to select an A/E consultant when the estimated consultant fee exceeds \$100,000. A selection panel is optional when the A/E consultant fee is estimated to be less than \$100,000.
8. Purchase of A/E services require completion of a City professional service contract that describes services to be performed and purchase price.

Grant Agreements and Grant Reimbursement Documents

The Mayor shall be authorized to execute grant agreements for capital projects where the City Council previously authorized the project in the current Capital Improvement Program and, for growth-related projects, where the scope of the project is substantially consistent with the project description in the Capital Facilities Plan.

Once a grant agreement has been properly executed as provided above, the director of the department overseeing the capital project may execute documents necessary to implement the grant agreement, including documents necessary for the city to be reimbursed by the granting agency.

The Federal Highway Administration, through the State, sometimes authorizes Federal transportation funding to the City of Edmonds for transportation projects. The Code of Federal Regulations, 2 CFR 200.415(a) has been revised to ensure that final fiscal reports or vouchers requesting payment under Federal agreements must include the following certification, which, under this policy, may be signed by the Mayor, Director, or City Engineer, who are hereby authorized to legally bind the City for the sole purpose of requesting reimbursement for Federally funded transportation project to terms that are consistent with the applicable grant agreement.

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).”

Procurement of Public Works

RCW 39.04.010 defines public works to include all work, construction, alteration, repair or improvement other than ordinary maintenance, executed at the cost of the City. (Most public works projects are *multiple craft*, defined as more than one type of work being executed.)

1. City employees may be used to perform public works projects until the accumulated costs of public works projects performed by them during a budget cycle meets ten percent of the City's public works construction budget; PROVIDED that, *for any public works project costing more than **sixty-five thousand dollars**, if multiple crafts or trades are involved, or **forty thousand dollars**, if only a single craft or trade is involved, must be bid competitively. See Bidding Requirements below.*
2. Starting in January 1, 2010, the bid limits above will be sixty five thousand dollars and forty thousand dollars, respectively.
3. Once the accumulated cost of public works project performed by City employees during a budget cycle meets or exceeds ten percent of the City's public works construction budget, all other public works projects must be bid competitively, regardless of estimated costs. See Bidding Requirement below.
4. Public works projects are governed by prevailing wage requirements, regardless of contract amount.
5. Except as noted below for Small Works Roster or limited public works, a bid bond of five percent will be required on all public works bids, and a performance bond (or retainage for public works contracts of thirty five thousand dollars or less) will also be required pursuant to Chapter 39.08 RCW on public works contracts.

Bidding Requirements

The competitive bid process is generally (although not exclusively) used for public works projects.

Dollar-value ranges indicated pertain to each purchase (including tax, freight, handling and set up costs, if applicable). Purchases cannot be broken into multiple purchases to avoid compliance with State statutes or City policies and procedures. Negotiations on bids are not permitted.

Bid Procedures

1. Authorization for Bids

Authorization to call for bids will be approved by the department director (or designee) for public works projects estimated at less than \$50,000; and by the department director and the Mayor (or their designees) for a public works project costing more than \$50,000. If the project is not included in the current City Council Approved budget or CIP, the City Council must authorize the call for bids for a project estimated at \$100,000 or more.

2. Publication of Notice

After proper authorization, the requesting department director (or designee) will publish the advertisement for Bids reasonably in advance of the bid submittal deadline in the official newspaper or a newspaper of general circulation most likely to bring responsive bids.

3. Notice Contents

Notice (or advertisement) for bids should contain definite specifications and procedures for bidders to use to estimate their bids. A bid notice for public work should include:

- project title,
- nature and scope of work or goods sought,
- where contract documents (plans and specifications) can be reviewed or obtained,
- cost, if any, to obtain a set of contract documents,
- place, date, and time that bids are due,
- place, date, and time that bids will be opened (if different from above),
- materials and equipment to be furnished by the City, if any,
- statement that a bid bond must accompany the bid for public works projects, and a
- statement that the City retains the right to reject any and all bids and to waive minor irregularities in the bidding process.

In addition, the City may provide evaluation criteria; minimum qualification expectations; date, time, and location of pre-bid conference (if applicable); and name, address, and telephone number of the project contact to assist bidders in preparing responsive submittals.

4. Bid Opening

Bids are submitted to the City Clerk's Office, where they are time and date stamped and processed. No bids will be opened prior to the predetermined date and time.

5. Report on Bids

The requesting department director will report on all bids received with a recommendation on the lowest responsible bidder, if any, or to reject all bids.

6. Bid Award

Unless all bids are rejected, a winning bid must be awarded to the lowest responsible bidder by the department director (or designee) for a public works project costing less than \$50,000; and by the department director and the Mayor (or their designees) for a public works project costing more than

\$50,000 but less than \$100,000. The City Council must award bids which exceed \$100,000. The City may choose to reject all bids for any reason.

The following shall apply to bid solicitations:

- Selection of a winning offer is based primarily on low bid, after factoring whenever possible such costs as maintenance and operations over the expected period of use. Consideration, however, may also be given for the following:
- Ability, capacity, expertise and skill of the bidder to perform the contract.
- Character, integrity, reputation, judgment, experience, and efficiency of bidder.
- Ability to perform within time specified.
- Quality of performance of previous contract(s).
- Other information having a bearing on the decision to award the contract.
- Minimum qualifications must be provided to ensure respondents are reasonably qualified. Minimum qualification requirement should be compared against the marketplace to ensure they are not overly restrictive.
- To ensure consistency and fair process, the City will use standard forms, documents, contracts, and terms and conditions, when practical. The Public Works & Finance Departments will maintain templates for bid-related documents for use by departments. The City may use an evaluation selection committee to promote an open and proper selection. The requesting department director will appoint committee members to act in an advisory capacity.
- When practical, the City will conduct a pre-bid conference to allow a thorough discussion of the City's expectations, intent, scope, specifications, and terms. Interested companies should be encouraged to attend.
- Every bidder for a public works contract that is expected to cost one million dollars or more must 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 chapter 18.106 RCW; and electrical as described in chapter 19.28 RCW, or to name itself for the work. The bidder shall not list more than one subcontractor for each category of work identified, unless subcontractors vary with bid alternates, in which case the prime contract bidder must indicate which subcontractor will be used for which alternate. Failure of 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 bid nonresponsive and, therefore, void.
- If no responsive bid is received on the first call the City may re-advertise and make a second call, or without any further call, it may enter into a negotiated contract, purchase the supplies, material or equipment or perform the work or improvement using its own employees.

Apprentice Requirements

A. Definitions.

1. "Apprentice" means an apprentice enrolled in a state-approved apprenticeship training program.
2. "Contractor" means a person, corporation, partnership, limited liability company, or joint venture entering into a contract with the City to construct a public work.

3. "Labor hours" refers to the total number of hours worked by workers receiving an hourly wage who are directly employed on the site of the public work and who are subject to state or federal prevailing wage requirements. "Labor hours" shall also include hours worked by workers employed by subcontractors on the site of the public work, and shall include additional hours worked as a result of a contract or project adjustment or pursuant to an agreed-upon change order.
4. "Estimated cost" means the anticipated cost of a public work, as determined by the City, based upon the expected costs of materials, supplies, equipment, and labor, but excluding taxes and contingency funds.
5. "Public work" refers to all City funded construction projects that constitute a public work pursuant to RCW 39.04.010 as now or hereafter amended and estimated to cost \$1,000,000 or more.
6. "State-approved apprenticeship training program" means an apprenticeship program approved or recognized by the Washington State Apprenticeship and Training Council.
7. "Subcontractor" means a person, corporation, partnership, limited liability company, or joint venture that has contracted with the contractor to perform all or part of the work to construct a public work by a contractor.

B. Apprentice utilization.

Apprentices shall be utilized for the construction of public works by contractors and subcontractors in accordance with this section.

1. Apprenticeship utilization program goal. For public works contracts with an estimated cost of One Million Dollars (\$1,000,000) or more, the Director of Public Works, or his designee, is authorized to require that up to fifteen percent (15%) of the contract labor hours, including contractor and subcontractor hours, be performed by apprentices.
2. Contract requirements. Contract documents for such public works construction projects shall include provisions detailing the apprentice labor requirements.
3. Monitoring. The City will include an Apprenticeship Utilization Form for contractors to complete when submitting their bid documents, which identifies the intended usage of apprentices by the contractor and any subcontractors. This document will require the identification of individual apprentices by name and Washington State apprenticeship registration number, an estimate of the total apprentice labor hours, and the identification of apprentice hours to be worked by minorities, women, persons with disabilities and disadvantaged youth. This provision is not intended and shall not be used to discriminate against any applicant for training. In addition, the City will require the submittal of an Apprenticeship Verification Form by the contractor at the conclusion of the public works project that will identify the actual work performed by apprentices for the contractor and subcontractors.
4. Failure to meet utilization goal. Failure by a contractor to comply with established apprenticeship requirements, unless otherwise adjusted or waived in writing as set forth below, shall be deemed a breach of contract for which the City shall be entitled to all remedies allowed by law under the contract. Failure to comply with the apprenticeship requirements may also be considered evidence bearing on a contractor's qualification for award of future contracts with the City.
5. Adjustment and waiver. The Director of Public Works, or his designee, may adjust or waive the requirements of this section for a specific project at any time for the following reasons:
 - (a) The demonstrated lack of availability of apprentices in specific geographic areas;

- (b) A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation;
- (c) The reasonable and necessary requirements of the contract render apprentice utilization infeasible at the required levels;
- (d) In order to meet the requirement, the contractor will be forced to displace members of its workforce;
- (e) The participating contractor has demonstrated a good faith effort to comply with the requirements of this section; and/or

Other criteria deemed appropriate that are not inconsistent with the purpose and goals of this section.

Responsible Bidder Criteria

A. Mandatory responsible bidder criteria.

1. The bidder responsibility criteria set forth in this section shall be used by the Public Works Department to establish the minimum requirements for all contractors and subcontractors bidding on City contracts for public work (as those terms are defined in RCW 39.04.010). The bid documents shall set forth the documentation to be submitted by bidders to demonstrate their compliance with the mandatory responsible bidder criteria.

2. To be considered a responsible bidder and qualified to be awarded a City contract for public work, the bidder must:

- (a) At the time of bid submittal, have a certificate of registration in compliance with chapter 18.27 RCW (contractor registration);
- (b) Have a current state unified business identifier (UBI) number;
- (c) If applicable, have:
 - (i) industrial insurance coverage for the bidder's employees working in Washington as required in Title 51 RCW;
 - (ii) a state employment security department number as required in Title 50 RCW; and
 - (iii) a state excise tax registration number as required in Title 82 RCW;
- (d) Not be disqualified from bidding on any public works contract under RCW 39.06.010 or RCW 39.12.065(3); and
- (e) Until December 31, 2013, not have violated RCW 39.04.370 more than one time as determined by the State Department of Labor and Industries.

3. A bidder must verify mandatory responsibility criteria for each first tier subcontractor, and a subcontractor of any tier that hires other subcontractors must verify mandatory responsibility criteria for each of its subcontractors. Verification shall include that each subcontractor, at the time of subcontract execution, meets the responsibility criteria listed in RCW 39.04.350(1) and ECC 18.00.060 and possesses an electrical contractor license, if required by chapter 19.28 RCW, or an elevator contractor license, if required by chapter

70.87 RCW. This verification requirement, as well as the mandatory responsibility criteria, must be included in every public works contract and subcontract of every tier.

B. Supplemental responsible bidder criteria.

1. In addition to the mandatory bidder responsibility criteria set forth in ECC 18.00.060 (A), the Public Works Department may adopt in connection with a particular project relevant supplemental bidder responsibility criteria which the bidder must meet. Those supplemental criteria, including the basis for evaluation and the deadlines for requesting modification of the supplemental bidder responsibility criteria and for appealing a determination that a low bidder is not responsible under the supplemental bidder responsibility criteria, shall be provided in the invitation to bid or bidding documents.

2. As relevant to a particular project, supplemental bidder responsibility criteria may be included to require that:

- (a) The bidder shall not owe delinquent taxes to the Washington State Department of Revenue without a payment plan approved by the Department of Revenue;
- (b) The bidder shall not currently be debarred or suspended by the federal government;
- (c) The bidder shall have complied with minority and women's business enterprises, disadvantaged business enterprises, or other similar utilization requirements or goals on federally-funded public works projects with such requirements completed by the bidder within three years of the bid submittal date, unless there are extenuating circumstances acceptable to the City;
- (d) The bidder shall not be listed as an ineligible contractor on the federal GSA Excluded Parties List System set forth by 31 U.S.C § 6101 and Executive Order 13496;
- (e) If bidding on a public works project subject to the apprenticeship utilization requirements in ECC 18.00.050, the bidder:
 - (i) shall not have been found out of compliance with apprenticeship requirements of ECC 18.00.050 unless otherwise excepted or waived in writing by the Mayor or the Mayor's designee pursuant to that section for a one-year period immediately preceding the date of the bid submittal deadline; and
 - (ii) shall have complied with apprenticeship utilization goals on public works projects having such requirements that were completed by the bidder within a three-year period immediately preceding the date of the bid submittal deadline, unless there are extenuating circumstances acceptable to the City;
- (f) The bidder shall not have been convicted of a crime involving bidding on a public works contract within five years from the bid submittal deadline;
- (g) The bidder's standard subcontract form shall include the subcontractor responsibility language required by RCW 39.06.020, and the bidder shall have an established procedure which it utilizes to validate the responsibility of each of its subcontractors. The bidder's subcontract form shall also include a requirement that each of its subcontractors shall have and document a similar

procedure to determine whether the sub-tier subcontractors with which it contracts are also “responsible” subcontractors as defined by RCW 39.06.020;

- (h) The bidder shall not have a record of excessive claims filed against the retainage or payment bonds for public works projects during the previous three years that demonstrate a lack of effective management by the bidder of making timely and appropriate payments to its subcontractors, suppliers, and workers, unless there are extenuating circumstances acceptable to the City;
- (i) The bidder shall have successfully completed projects of a similar size and scope as required by the contract documents for the project. In evaluating whether projects were successfully completed, the City may check owner references for previous projects and evaluate the owner’s assessment of bidder performance, including but not limited to quality control, safety record, timeliness of performance, use of skilled personnel, management of subcontractors, availability of and use of appropriate equipment, compliance with contract documents, and management of submittals process, change orders and close-out;
- (j) The bidder shall not have had any public works contract terminated for cause by a government agency during the five year period immediately preceding the bid submittal deadline for the project, unless there are extenuating circumstances acceptable to the City;
- (k) The bidder shall not have judgments entered by a court of law against the bidder within five years of the bid submittal date that demonstrate a pattern of failing to meet the terms of contracts, unless there are extenuating circumstances acceptable to the City; and
- (l) The bidder shall not have a documented pattern of prevailing wage complaints filed against it within five years of the bid submittal date that demonstrates a failure to pay workers prevailing wages, unless there are extenuating circumstances acceptable to the City.

3. Supplemental bidder responsibility criteria may include any other criteria determined by the City to be relevant to the particular project being bid, including but not limited to the ability, capacity and skill of the bidder to perform, the experience and efficiency of the bidder, the financial situation of the bidder, and the performance of the bidder on previous contracts or services.

4. In a timely manner before the bid submittal deadline, a potential bidder may request that the City modify the supplemental bidder responsibility criteria. The City must evaluate the information submitted by the potential bidder and respond before the bid submittal deadline. If the evaluation results in a change of the criteria, the City must publish an addendum to the bidding documents identifying the modified criteria.

5. If the bidder fails to supply information requested concerning responsibility within the time and manner specified in the bid documents, the City may base its determination of responsibility upon any available information related to the supplemental criteria or may find the bidder not responsible.

6. If the City determines a bidder to be not responsible, the City must provide, in writing, the reasons for the determination. The bidder may appeal the determination within the time period specified in the bidding documents by presenting additional information to the City. The City must consider the additional information before issuing its final determination. If the final determination affirms that the bidder is not responsible, the City may not execute

a contract with any other bidder until two business days after the bidder determined to be not responsible has received the final determination.

7. The invitation to bid or bidding documents shall specify the times, manner and means of communications, deadlines and determinations required by this section.

Small Works Roster

The City of Edmonds has entered into an agreement with Municipal Research and Services Center, whereas they will maintain the Small Works Roster.

Resolution 1155, passed November 5, 2007 established a small works roster process to award public works contracts, and is incorporated below. The Mayor (or designee) is authorized to proceed with procurement from the Rosters, provided funds have been budgeted by Council.

Use of the Small Works Roster allows the City to preclude the advertisement requirements and sealed bidding procedures of the formal competitive process. All other bidding procedures and requirements not in conflict remain the same.

The following small works roster procedures are established for use by the City pursuant to RCW 39.04.155:

1. **Cost.** The City need not comply with formal sealed bidding procedures for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost does not exceed Three Hundred Thousand Dollars (\$300,000.00), which includes the costs of labor, material, equipment and sales and/or use taxes as applicable. Instead, the City may use the small works roster procedures for public works projects as set forth herein. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process.
2. **Publication.** At least once a year, on behalf of the City, MRSC shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to appropriate MRSC roster or rosters at any time that they submit a written request and necessary records. The City may require master contracts to be signed that become effective when a specific award is made using a small works roster.
3. **Telephone or Written Quotations.** The City shall obtain telephone, written or electronic quotations (in accordance with City of Edmonds Purchasing Policies and Procedures) for public works contracts from contractors on the appropriate small works roster to assure that a competitive price is established and to award contracts to a contractor who meets the mandatory bidder responsibility criteria in RCW 39.04.350(1) and any pre-establish supplementary bidder criteria under RCW 39.04.350(2).
 - a) A contract awarded from a small works roster need not be advertised. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation.
 - b) Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least *five* contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster. "Equitably distribute" means that the City may not favor certain contractors on the appropriate small works roster over other contractors on the appropriate small works roster who perform similar services.

If the estimated cost of the work is from one hundred fifty thousand dollars (\$150,000) to three hundred thousand dollars (\$300,000), and the City chooses to solicit bids from at least five, but less than all the appropriate contractors on the appropriate small works roster, the City must notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought. The City has the sole option of determining whether this notice to the remaining contractors is made by:

- (i) publishing notice in a legal newspaper in general circulation in the area where the work is to be done;
- (ii) mailing a notice to these contractors; or
- (iii) sending a notice to these contractors by facsimile or email.

c) At the time bids are solicited, the City representative shall not inform a contractor of the terms or amount of any other contractor's bid for the same project;

d) A written record shall be made by the City representative of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.

4. **Limited Public Works Process.** If a work, construction, alteration, repair, or improvement project is estimated to cost less than thirty-five thousand dollars (\$35,000), the City may award such a contract using the limited public works process provided under RCW 39.04.155(3). For a limited public works project, the City will solicit electronic or written quotations (note: no telephone quotations permitted) from a minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder as defined under RCW 39.04.010. After an award is made, the quotations shall be open to public inspection and available by electronic request.

For limited public works projects, the City may waive the payment and performance bond requirements of chapter 39.08 RCW and the retainage requirements of chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, materialmen, suppliers, and taxes imposed under Title 82 RCW that may be due from the contractor for the limited public works project. However, the City shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

The City shall maintain a list of the contractors contacted and the contracts awarded during the previous 24 months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.

5. **Determining Lowest Responsible Bidder.** The contract must be awarded to the contractor submitting the lowest responsible bid, or all bids must be rejected. If all bids are rejected, the City may call for new bids. A responsible bidder shall be a registered and/or licensed contractor who meets the mandatory bidder responsibility criteria established by RCW 39.04.350 and any supplementary criteria pre-established by the City.
6. **Award.** For contracts of \$100,000 or more, the Mayor or his designee shall present all quotations/bids and recommendation for award of the contract to the lowest responsible bidder to the City Council for approval. For public works project contracts of less than \$100,000, the Mayor or his designee shall have the authority to award public works contracts.
7. **Bond and Other Requirements.** Vendors/contractors selected off the Small Works Roster are not relieved from observing applicable legal requirements such as Bid Bond, Performance Bond,

Retainage Requirements, Prevailing Wage, Labor and Material Bonding, etc. The City may waive bid bond for any solicitation using the Small Works Roster process, and/or performance bond for any contract awarded using the limited public works process.

Change Orders on Public Works Construction Contracts

Approval of change orders on Public Works Construction Contracts shall be in accordance with the following requirements:

1. City Council members shall be notified by e-mail of any change order in excess of \$50,000.
2. City Council approval shall be required for:
 - a) any change order in excess of \$100,000
 - b) any change order which puts the total of change orders on a project over the designated management reserve.
 - c) If City Council approval is required for a change order, but circumstances require a speedier approval, the Mayor is authorized to approve the required work provided that the change order and a written statement of the special circumstances requiring speedier approval is placed on the next City Council agenda for review.

Final Acceptance of Public Works Projects:

The Mayor (or designee) is authorized to accept public works projects as complete, and to declare that Final Acceptance has been achieved, after the contractor has completed all tasks and furnished to the City all documentation required by the public works contract and by applicable law.

Reimbursement of Expenses

Travel and Meeting Expenses

Travel or training requires the requesting department director's prior approval. Expenses incurred on authorized travel will be reimbursed as submitted on the required, itemized, Claim for Expenses form. Receipts must be submitted with the claim form for all expenses except meals.

To qualify for reimbursement, submitted expenses must be within 30 days of incurrence, reasonable and prudent under the circumstances, and directly relate to the conduct of City business or service. Reimbursement for personal expenses is prohibited. Travel mileage by private vehicle is reimbursed at the City's established rate, which is the current IRS rate.

Other Issues

Interlocal Agreements

Solicitation of bids/quotations is not required when purchases of materials, supplies, or equipment are made under State standard contracts or similar contracts executed by and through other local governments. The City Council must approve an interlocal agreement with the local government or State agency after confirming that the other government or agency has complied or intends to comply with its own statutory requirements and either (i) 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, or (ii) provided an access link on the state's web portal to the notice.

Neither solicitation of bids/quotations nor interlocal agreement is required when purchasing materials, supplies, or equipment from or through the United States of America or any agency thereof (RCW 39.32.070).

All internal procurement approval requirements must be observed and the process must comply with state statutory requirements.

Sole Source Procurement

If, after conducting a good faith review of available resources, the requesting department director determines that there is only one source of the required materials, supplies, equipment or service (including public works), a purchase may be awarded without complying with established bid requirements.

The requesting department will submit a written request for sole source procurement with negotiated contract price, terms, conditions and delivery for approval. The vendor must certify that the City is getting the lowest price offered as compared to similarly situated clients, terms and conditions. Department directors can approve Sole Source purchases up to \$50,000, the department director and the Mayor can approve sole source purchases costing more than \$50,000 but less than \$100,000. Council must approve sole source purchases costing more than \$100,000. Immediately after the award of any sole source purchase, the factual basis for awarding the same must be recorded and open to public inspection.

Special Market Conditions

The City may waive established bidding requirements if an opportunity arises to purchase favorably-priced supplies, materials or equipment unrelated to public works projects that will be sold before the City can conduct the bid process. The City may waive established bidding requirements and acquire any supplies, materials, and equipment through an auction if the items can be purchased at a competitive price.

Waiver will be authorized by the Mayor (or designee). Immediately after the award of any special market conditions contract, the contract and the factual basis for awarding the same must be recorded and open to public inspection.

Emergencies

In case of unforeseen circumstances beyond the control of the City that present a real and immediate threat to the City's ability to properly perform essential functions, or to City property or the safety of citizens and/or staff, the Mayor (or designee) can waive bid requirements to purchase supplies, materials, equipment or services to stabilize the emergency condition. Purchases must be properly documented as an emergency as soon as possible following the event.

Within two weeks of confirming the emergency existed, the City Council will adopt a resolution certifying the emergency situation existed.

Record Retention Requirements

The City must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. All quote/bid documents must be retained as indicated in the State of Washington Retention Schedule and be available for public inspection.

State Minimum Bidding Requirements

On a case by case basis, the City Council may waive any requirement contained in the City's purchasing policies and procedures as long as the result complies with applicable state laws.

Conflicts of Interest

The City will not accept donations of materials or services in return for a commitment to continue or initiate a purchasing agreement. No employee will participate in a procurement when they are aware of a conflict of interest, or accept gifts or gratuities from existing or potential vendors in return for a commitment to continue or initiate a purchasing relationship. See also RCW 42.23.030 and Chapter 3.70 ECC.

The City maintains the following standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee or elected official of the City can participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee or elected official, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The employees and elected officials of the City must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, in accordance with Section 10.14 of the City Personnel Policy, this requirement is waived if the benefit received is not substantial or is of nominal value. These standards of conduct provide for disciplinary actions to be applied for violations of such standards by employees or elected officials of the City.

Employees participating in the selection, award, or administration of a contract supported by a Federal Award must complete and sign a Conflict of Interest Disclosure Form, below in Exhibit 1.

Forms and Templates

Purchasing forms and templates may be obtained from the public directory.

Recyclables

Every effort will be made to use products made from recycled materials if such products are available, of acceptable quality, and generally priced the same as similar, non-recycled products (Resolution 766).

Surplus Items

The City may acquire property from another governmental entity on mutually agreeable terms without soliciting bids/quotations.

Store-Issued Charge Cards

It is sometimes necessary to use store-issued charge cards. The Department Managers will request prior approval from the Finance Director or designee before establishing account.

Purchase Cards

Purchase cards can be issued with the approval of the Finance Director. They are to be used solely for City-authorized business purposes. See Credit Card Policy.

Quick Checks

Quick checks may be issued to avoid incurring penalties, interest, or late charges. Submit requests for quick checks to the Finance Department. Quick checks will be approved by the Finance Director or designee.

Departments should avoid requests for quick checks by informing vendors of invoice deadlines and payment schedules.

Early Release

Any checks requiring an early release must be approved by the Finance Director or designee. Departments should avoid requests for early release by informing vendors of invoice deadlines and payment schedules.

Petty Cash

Petty cash funds cover minor disbursements. Employees may be reimbursed from petty cash funds for authorized purchases that total less than the established, petty-cash limit.

Budget Adjustments

Department directors (or designees) must ensure that purchases are initiated only when departmental appropriations are sufficient to cover the anticipated cost. Expenditures that exceed departmental appropriations require the Mayor's approval via the Budget Adjustment Request Form.

Exclusive Contract Agreements

The City may enter into an exclusive contract with a vendor in order to ensure the lowest prices on goods and/or services unrelated to architecture, engineering, land survey or public works requiring competitive bidding. All departments must use exclusive vendor unless special circumstances such as emergencies, vendor does not carry exact product, etc.

Expenditures of Direct or Indirect Federal Financial Assistance

Prior to contracting for goods or services which will be paid for with either direct or indirect Federal financial assistance, where vendors have not signed a self certification, vendors must be checked against the Excluded Parties List System to assure they have not been suspended/debarred and are prohibited from receiving federal funds (<http://www.epls.gov/>). Documentation of verification must be retained and available for audit. See related Grant and Intergovernmental Loan Policy.

Safeguard Personally Identifiable Information

The City shall take reasonable measures to safeguard protected, personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state, local and tribal laws regarding privacy and obligations of confidentiality.

Finance Committee

The Finance Committee, composed of two Council members and the Finance Director, will review and update the City of Edmonds' purchasing and accounts payable policies and procedures, as necessary.

EXHIBIT 1

City of Edmonds, WA CONFLICT OF INTEREST DISCLOSURE FORM FOR CITY COUNCIL MEMBERS, MAYOR, DIRECTORS, and STAFF

Name (please print)

Date

Position

It is the policy of the City of Edmonds to address how issues of actual, potential and perceived conflicts of interest involving elected officials, directors, and employees of the City should be identified, disclosed and managed. This form is designed to identify and disclose known conflicts in an effort to properly manage them.

I have read the City of Edmonds's Conflict of Interest policy and understand that as an employee/Elected Official of the City of Edmonds it is my obligation to act in a manner which promotes the best interests of the City and to avoid conflicts of interest when making decisions and taking actions on behalf of the City of Edmonds.

My answers to this disclosure form are correctly stated to the best of my knowledge and belief. Should a possible conflict of interest arise in my responsibilities to the City of Edmonds, I recognize that I have the obligation to notify, based on my position, the appropriate designated individual (Director, Mayor, City Council member), and to abstain from any participation in the matter until the City of Edmonds can determine whether a conflict exists and how that conflict shall be resolved. If any relevant changes occur in my affiliations, duties, or financial circumstances, I recognize that I have a continuing obligation to file an amended "Conflict of Interest Disclosure Form" with the appropriate designated department.

I understand that the information on this form is solely for use by the City of Edmonds and is considered confidential information. Release to external parties will be only when required by law.

Signature

Date

Please complete the following questions, and submit this form to the Human Resources Director of the City of Edmonds.

1. Are you or a member of your immediate family an officer, director, trustee, partner (general or limited), employee or regularly retained consultant of any company, firm or organization that presently has business dealings with the City of Edmonds or which might reasonably be expected to have business dealings with the City of Edmonds in the coming year?

_____ Yes _____ No

If yes, please list the name of the company, firm or organization, the position held, and the nature of the business which is currently being conducted with the City of Edmonds or which may reasonably be expected to be conducted with the City of Edmonds in the coming year:

2. Do you or does any member of your immediate family have a financial interest, direct or indirect, in a company, firm or organization which currently has business dealings with the City of Edmonds or which may reasonably be expected to have such business dealings with the City of Edmonds in the coming year?

_____ Yes _____ No

If yes, please list the name of the company, firm or organization, the nature of the interest and the name of the person holding the interest, and the nature of the business which is currently being conducted with the City of Edmonds or which may reasonably be expected to be conducted with the City of Edmonds in the coming year:

EXHIBIT 1

3. Do you or does any member of your immediate family have a financial or personal interest in an entity in which the City of Edmonds has a financial or other vested interest.

_____Yes _____No

If yes, please provide details below:

4. Have you or an immediate family member accepted gifts, gratuities, lodging, dining, or entertainment that might reasonably appear to influence your judgment or actions concerning the business of the City of Edmonds?

_____Yes _____No

If yes, please provide details below:

5. Do you have any other interest or role in a firm or organization, where that interest or relationship might reasonably be expected to create an impression or suspicion among the public having knowledge of your acts that you engaged in conduct in violation of your trust as a trustee, officer, Director or staff member?

_____Yes _____No

If yes, please provide details below:

Please add additional pages as needed.

If any material changes to the responses provided on this disclosure form occur, the trustee, officer or employee is required to update the information on this form in writing, and submit the update to the City of Edmonds Human Resources Director.

Form reviewed by:

Remedial Action(s) to be taken:

The City of Edmonds will follow-up on all recommended actions to ensure compliance.