# TABLE OF CONTENTS

## OBJECTIVE AND RESPONSIBILITY

<table>
<thead>
<tr>
<th>Section - 1</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Objective</td>
<td>6</td>
</tr>
<tr>
<td>1.2 Responsibilities</td>
<td>6</td>
</tr>
</tbody>
</table>

## ETHICS

<table>
<thead>
<tr>
<th>Section - 2</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 General</td>
<td>8</td>
</tr>
<tr>
<td>2.2 Gifts</td>
<td>8</td>
</tr>
<tr>
<td>2.3 Contracts and Agreements</td>
<td>9</td>
</tr>
</tbody>
</table>

## APPROVALS & SIGNATURES

<table>
<thead>
<tr>
<th>Section - 3</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 General</td>
<td>9</td>
</tr>
<tr>
<td>3.2 Petty Cash</td>
<td>9</td>
</tr>
<tr>
<td>3.3 Credit Cards</td>
<td>10</td>
</tr>
<tr>
<td>3.4 District Travel</td>
<td>10</td>
</tr>
<tr>
<td>3.5 Materials, Equipment, &amp; Supplies</td>
<td>10</td>
</tr>
<tr>
<td>3.6 Public Work &amp; Professional Services</td>
<td>11</td>
</tr>
<tr>
<td>3.7 Computer Software Support &amp; Maintenance Agreements</td>
<td>12</td>
</tr>
<tr>
<td>3.8 Labor Contracts</td>
<td>12</td>
</tr>
<tr>
<td>3.9 Purchase or Sale of Real Property</td>
<td>13</td>
</tr>
</tbody>
</table>

## PAYMENT PROCEDURES

<table>
<thead>
<tr>
<th>Section - 4</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Petty Cash</td>
<td>14</td>
</tr>
<tr>
<td>4.2 Departmental Purchases</td>
<td>14</td>
</tr>
<tr>
<td>4.3 District Credit Card Purchases</td>
<td>14</td>
</tr>
<tr>
<td>4.4 District Credit Card Use for Travel</td>
<td>15</td>
</tr>
<tr>
<td>4.5 Purchase Orders</td>
<td>15</td>
</tr>
<tr>
<td>4.6 Material &amp; Equipment Contracts</td>
<td>15</td>
</tr>
<tr>
<td>4.7 Public Work Contracts</td>
<td>16</td>
</tr>
<tr>
<td>4.8 Professional Services</td>
<td>17</td>
</tr>
<tr>
<td>4.9 Right to Audit</td>
<td>18</td>
</tr>
<tr>
<td>4.10 Contractor or Vendor Pre-Payments</td>
<td>18</td>
</tr>
</tbody>
</table>

## RECEIVING

<table>
<thead>
<tr>
<th>Section - 5</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 General</td>
<td>20</td>
</tr>
<tr>
<td>5.2 Front-End Office Deliveries (UPS, FED-X, Courier, etc.)</td>
<td>20</td>
</tr>
<tr>
<td>5.3 Items Purchased without a Purchase Order</td>
<td>20</td>
</tr>
<tr>
<td>5.4 Items Ordered on Purchase Orders &amp; Inventory Material</td>
<td>21</td>
</tr>
</tbody>
</table>
## Section - 5

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.5</td>
<td>Licensed Vehicles &amp; Equipment</td>
<td>22</td>
</tr>
<tr>
<td>5.6</td>
<td>Primary URD Cable Contract Shipments</td>
<td>22</td>
</tr>
<tr>
<td>5.7</td>
<td>Distribution Transformers</td>
<td>23</td>
</tr>
<tr>
<td>5.8</td>
<td>Motor Freight Deliveries</td>
<td>24</td>
</tr>
<tr>
<td>5.9</td>
<td>Freight Shortages &amp; Damage</td>
<td>25</td>
</tr>
<tr>
<td>5.10</td>
<td>Freight Returns</td>
<td>26</td>
</tr>
</tbody>
</table>

## Section - 6

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Miscellaneous Materials &amp; Supplies (up to $1,000)</td>
<td>27</td>
</tr>
<tr>
<td>6.2</td>
<td>District Credit Cards</td>
<td>27</td>
</tr>
<tr>
<td>6.3</td>
<td>District Travel</td>
<td>28</td>
</tr>
<tr>
<td>6.4</td>
<td>Petty Cash</td>
<td>29</td>
</tr>
<tr>
<td>6.5</td>
<td>Crew Meals</td>
<td>29</td>
</tr>
<tr>
<td>6.6</td>
<td>Tools (less than $500)</td>
<td>29</td>
</tr>
</tbody>
</table>

## Section - 7

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1</td>
<td>General</td>
<td>30</td>
</tr>
<tr>
<td>7.2</td>
<td>Requisitions</td>
<td>30</td>
</tr>
<tr>
<td>7.3</td>
<td>Requisition Format</td>
<td>31</td>
</tr>
<tr>
<td>7.4</td>
<td>Blanket Purchase Orders</td>
<td>32</td>
</tr>
<tr>
<td>7.5</td>
<td>Confirming Purchase Orders</td>
<td>33</td>
</tr>
<tr>
<td>7.6</td>
<td>Quotations</td>
<td>33</td>
</tr>
<tr>
<td>7.7</td>
<td>Purchase Order Routing</td>
<td>33</td>
</tr>
<tr>
<td>7.8</td>
<td>Change Orders</td>
<td>34</td>
</tr>
<tr>
<td>7.9</td>
<td>Freight Terms</td>
<td>35</td>
</tr>
</tbody>
</table>

## Section - 8

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.1</td>
<td>Public Work &amp; Material Purchases - General</td>
<td>36</td>
</tr>
<tr>
<td>8.2</td>
<td>Formal Contracts Advertised by Commission</td>
<td>36</td>
</tr>
<tr>
<td>8.3</td>
<td>Alternative Bid Procedure</td>
<td>37</td>
</tr>
<tr>
<td>8.4</td>
<td>&quot;Items of Like Kind&quot;</td>
<td>37</td>
</tr>
<tr>
<td>8.5</td>
<td>Formal Bid Document Preparation</td>
<td>38</td>
</tr>
<tr>
<td>8.6</td>
<td>Formal Invitation to Bid</td>
<td>39</td>
</tr>
<tr>
<td>8.7</td>
<td>Formal Addenda</td>
<td>39</td>
</tr>
<tr>
<td>8.8</td>
<td>Formal Bid Submittal</td>
<td>39</td>
</tr>
<tr>
<td>8.9</td>
<td>Formal Bid Opening</td>
<td>40</td>
</tr>
<tr>
<td>8.10</td>
<td>Formal Bid Evaluation</td>
<td>40</td>
</tr>
<tr>
<td>8.11</td>
<td>Formal Limited Notice to Proceed</td>
<td>41</td>
</tr>
<tr>
<td>8.12</td>
<td>Formal Bid Award</td>
<td>41</td>
</tr>
</tbody>
</table>

Adopted by PUD BOC 6 January 2015
<table>
<thead>
<tr>
<th>Section - 8</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.13</td>
<td>43</td>
</tr>
<tr>
<td>8.14</td>
<td>43</td>
</tr>
<tr>
<td>8.15</td>
<td>44</td>
</tr>
<tr>
<td>8.16</td>
<td>45</td>
</tr>
<tr>
<td>8.17</td>
<td>46</td>
</tr>
<tr>
<td>8.18</td>
<td>46</td>
</tr>
<tr>
<td>8.19</td>
<td>47</td>
</tr>
<tr>
<td>8.20</td>
<td>48</td>
</tr>
<tr>
<td>8.21</td>
<td>48</td>
</tr>
<tr>
<td>8.22</td>
<td>49</td>
</tr>
<tr>
<td>8.23</td>
<td>50</td>
</tr>
<tr>
<td>8.24</td>
<td>50</td>
</tr>
<tr>
<td>8.25</td>
<td>51</td>
</tr>
<tr>
<td>8.26</td>
<td>52</td>
</tr>
<tr>
<td>8.27</td>
<td>52</td>
</tr>
<tr>
<td>8.28</td>
<td>53</td>
</tr>
</tbody>
</table>

### PROFESSIONAL SERVICES

<table>
<thead>
<tr>
<th>Section - 9</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1</td>
<td>55</td>
</tr>
<tr>
<td>9.2</td>
<td>56</td>
</tr>
<tr>
<td>9.3</td>
<td>57</td>
</tr>
<tr>
<td>9.4</td>
<td>58</td>
</tr>
<tr>
<td>9.5</td>
<td>59</td>
</tr>
<tr>
<td>9.6</td>
<td>60</td>
</tr>
<tr>
<td>9.7</td>
<td>60</td>
</tr>
<tr>
<td>9.8</td>
<td>62</td>
</tr>
<tr>
<td>9.9</td>
<td>62</td>
</tr>
<tr>
<td>9.10</td>
<td>64</td>
</tr>
<tr>
<td>9.11</td>
<td>64</td>
</tr>
</tbody>
</table>

### SURPLUS PROPERTY

<table>
<thead>
<tr>
<th>Section - 10</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>66</td>
</tr>
<tr>
<td>10.2</td>
<td>66</td>
</tr>
<tr>
<td>10.3</td>
<td>67</td>
</tr>
<tr>
<td>10.4</td>
<td>67</td>
</tr>
<tr>
<td>10.5</td>
<td>68</td>
</tr>
<tr>
<td>10.6</td>
<td>68</td>
</tr>
<tr>
<td>10.7</td>
<td>69</td>
</tr>
</tbody>
</table>

Adopted by PUD BOC 6 January 2015
<table>
<thead>
<tr>
<th>Attachment</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;A&quot;</td>
<td>Exceptions to Materials Supt. &amp; General Supt. Required Signatures</td>
<td>70</td>
</tr>
<tr>
<td>&quot;B&quot;</td>
<td>Exceptions to Purchase Order Requirements</td>
<td>71</td>
</tr>
<tr>
<td>&quot;C&quot;</td>
<td>Units of Measure</td>
<td>72</td>
</tr>
<tr>
<td>&quot;D&quot;</td>
<td>Example &quot;Dig Slip&quot;</td>
<td>73</td>
</tr>
</tbody>
</table>
1.1 OBJECTIVE

1.1.1 The following establishes procedures and authorities enabling PUD No. 1 of Jefferson County (District) to procure materials, tools, equipment, work, and services in a timely and efficient manner. Applicable State laws and District policies and procedures will be an integral part of this document. Dollar values cited in this document are exclusive of Washington State sales tax unless otherwise noted.

1.1.2 These procedures shall apply to all purchase, contractual, and service-related documents prepared or processed within the District.

1.1.3 Travel and training procedures for reimbursement are outlined in this document.

1.2 RESPONSIBILITIES

1.2.1 The General Manager is authorized to delegate responsibility to the Electrical and Water Superintendents, Purchasing Agent, and other employees for the procurement of materials, tools, equipment, work, and services.

1.2.2 Only those employees delegated by the General Manager, as defined in this document, are authorized to commit the District for purchases, services, or contractual work.

1.2.3 The District Auditor is responsible for the control and oversight of the District's petty cash fund. Oversight and responsibility of the fund in each District office shall be delegated to a custodian named by the District Auditor. Under no circumstance may the petty cash fund be used for employee personal use.

1.2.4 The Electrical (and where appropriate Water) Superintendent shall provide oversight and direction, as required, when the District has need for material, tools, equipment, work, or services. Specific application or project need will determine which public procurement process is to be used as defined within current governing statutes, policies, and procedures.

1.2.5 The Electrical/ Water Superintendent shall provide oversight to all correspondence with vendors and contractors involving specifications, prices, bids, and negotiations when contractual services are needed and the purchase of materials, tools, equipment, and supplies are required.

1.2.6 Department Managers and Supervisors are responsible for approving departmental requisitions, and initiation of departmental contracts to include providing a complete and detailed scope, specifications, and other information necessary for its development.
1.2.7 Department Managers and Supervisors have the responsibility to ensure all of their current and new employees are familiar with the most current District procurement policies and procedures.

1.2.8 All delegated authorities are responsible for effective and professional relationships with suppliers and contractors.

1.2.9 All District employees must adhere to the responsibilities, authorities, and controls set forth in this document.
SECTION - 2
ETHICS

2.1 GENERAL
[RCW 42.52]

2.1.1 District employees are expected to conduct themselves in a professional manner. Each employee must endeavor to promote positive relationships with suppliers and their representatives; demonstrating patient, courteous, and ethical behavior at all times will enable the District to procure materials, equipment, supplies, and services in an efficient and cost effective manner.

2.2 GIFTS

2.2.1 No District employee may receive, accept, take, seek, or solicit, directly or indirectly, anything of economic value as a gift, gratuity, or favor from a person or business, if it could be reasonably expected that the gift, gratuity, or favor could influence the judgment or decision of the employee, or be considered as part of a reward for action or inaction.

2.2.2 District employees may not accept, take, seek, or solicit, directly or indirectly, anything of economic value as a gift, gratuity, or favor from a person or business with a value over $50 per year.

2.3 CONTRACTS AND AGREEMENTS

2.3.1 District employees are prohibited from receiving anything of economic value, whether directly or indirectly, under any contract or agreement with a supplier or business outside of their official duties.

2.3.2 District employees receiving direct or indirect economic value from a contract or agreement are prohibited from influencing the award and from administering the contract or agreement, if it falls within their area of responsibility.
SECTION – 3
APPROVALS AND SIGNATURES

3.1 GENERAL

3.1.1 The following procedures shall be followed for the procurement and payment of all materials, equipment, supplies, and contractual services.

3.1.2 Employees must sign using their full signature; initials, first or last names, or date stamps are not acceptable.

3.1.3 Employees may use custom signature stamps with the employee’s full legal signature in lieu of signing by hand.

3.1.4 No document may be processed; item purchased; task order, change order, or contract executed; or payment made without the appropriate approvals and signatures. The General Manager, District Auditor, or Treasurer/Controller may, at their discretion, authorize the payment of an invoice or voucher if, due to extenuating circumstances, all approvals and signatures cannot be obtained.

3.1.5 Under no circumstances shall pre-authorization of voucher payments be made without the approval of the General Manager, or District Auditor.

3.1.6 In addition to the signatures listed below, the Purchasing Agent’s and/or Electrical/Water Superintendent’s approval signature must be obtained for all purchases prior to payment being made; except bills pertaining to: (Attachment “A-1”).

3.1.7 Some recurring monthly bills do not require the approval signature of a Departmental Supervisor, Purchasing Agent, or Electrical/Water Superintendent prior to payment processing (Attachment “A-2”).

3.1.8 The Electrical or Water Superintendent, Department Supervisor, and Project Coordinator must review and initial all contract documents prior to being signed by the General Manager or Acting General Manager.

3.1.9 All vouchers must be reviewed by the District Auditor and approved by the Commission.

3.2 PETTY CASH

3.2.1 PUD offices - $25;
   - Employee submitting the claim
   - Petty cash fund Custodian

3.2.2 Reimbursements exceeding $25 in PUD Offices;
   - Employee
   - Petty Cash Fund custodian
   - Plus any one of the following: District Auditor, or General Manager
3.3 CREDIT CARDS

3.3.1 Departmental Purchases
   > Employee
   > Department Supervisor (Discretion)
   > Purchasing Agent

3.3.2 Materials Department (up to $5,000)
   > Materials Specialist
   > Purchasing Agent

3.3.3 Materials Department (over $5,000 to card limit)
   > Purchasing Agent
   > Electrical/Water Superintendent

3.4 DISTRICT TRAVEL
   > Employee
   > Department Supervisor
   > General Manager
   > Commission Approval

3.5 MATERIALS, EQUIPMENT, & SUPPLIES

3.5.1 Up to $1,000 per transaction
   > Employee
   > Department Supervisor (Discretion)
   > Purchasing Agent

3.5.2 Over $1,000 to $15,000 per transaction
   > Department Supervisor
   > Materials Specialist
   > Purchasing Agent

3.5.3 Over $15,000 to $60,000 per “Item of Like Kind”
   > Employee
   > Department Supervisor
   > Purchasing Agent

3.5.4 Over $60,000 per “Item of Like Kind”
   > Department Supervisor
   > Electrical/Water Superintendent
   > General Manager (Signature)
   > Commission Approval

3.5.5 District Bulk Fuel
   > Purchasing Agent or Electrical Superintendent
3.5.6 Capital Items not in Annual Budget
   > Department Supervisor
   > Electrical/Water Superintendent and/or General Manager

3.6 PUBLIC WORK & PROFESSIONAL SERVICES

3.6.1 Public Work “Receipt for Service or Material” (Dig Slip) (up to $25,000)
   > Employee
   > Department Supervisor
   > Electrical/Water Superintendent (Voucher Only)

3.6.2 Public Work (over $25,000 to $60,000): Change Orders; Vouchers
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent

3.6.3 Professional Services (up to $60,000)
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent

3.6.4 Public Work & Professional Services (over $60,000)
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent
   > General Manager
   > Commission Approval

3.6.5 Contract Notice & Instruction to Bidders; Limited Notice to Proceed; Addenda; and Notice to Proceed;
   > Electrical/Water Superintendent

3.6.6 Field Change Directive
   > Project Coordinator
   > Electrical/Water Superintendent (Verbal Approval)

3.6.7 Change Orders & Task Orders (less than 10% for contracts over $60,000)
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent
   > General Manager (Signature)
3.6.8 Change Orders & Task Orders (greater than 10% for contracts over $60,000)
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent
   > General Manager (Signature)
   > Commission Approval

3.6.9 Task Orders (contracts without a “Not to Exceed” amount)
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent
   > General Manager (Signature)
   > Commission (Approval)

3.6.10 Contract Completion (contracts over $60,000)
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent
   > General Manager
   > Commission (Approval)

3.6.11 Release of Retainage
   > Project Coordinator
   > Department Supervisor
   > Electrical/Water Superintendent
   > District Auditor (Approval)

3.7 COMPUTER SOFTWARE LICENSE; SUPPORT; & MAINTENANCE AGREEMENTS

3.7.1 Agreement development, implementation, and completion
   > Department Supervisor
   > I.T. Manager (Signature)
   > Electrical/Water Superintendent (Review)

3.8 LABOR CONTRACTS

3.8.1 Contract development & negotiations
   > Staff Negotiation Team Members
   > General Manager

3.8.2 Contract approval & completion
   > General Manager
   > Commission
3.9 PURCHASE OR SALE OF REAL PROPERTY

3.9.1 Contract development & negotiations
   > District Staff
   > General Manager

3.9.2 Contract approval & completion
   > General Manager
   > Commission
SECTION – 4
PAYMENT PROCEDURES

4.1 PETTY CASH

4.1.1 The Custodian of the petty cash fund located in each office shall be authorized to pay cash for items, or reimburse employees for out-of-pocket expenses, that do not exceed $25 in area offices.

4.1.2 The District Auditor must authorize payments over $25 in area offices from the petty cash fund.

4.2 DEPARTMENTAL PURCHASES

4.2.1 Accounts Payable shall compare the approved receiving document with the vendor’s invoice to ensure accuracy and completeness.

4.2.2 If discrepancies are found, the Accounts Payable will contact the vendor and attempt to reconcile the differences. If unsuccessful, the Department Supervisor or Purchasing Agent may be consulted and they will assist Accounts Payable. After corrections have been made, the invoice can be processed for payment.

4.2.3 Accounts Payable must process invoices for payment in a timely manner so as to take advantage of any allowable discounts and before any late payment penalties are imposed by the vendor.

4.2.4 A voucher shall be prepared prior to the due date on the invoice and forwarded to the District Auditor for review.

4.2.5 The Auditor will present the voucher to the Commission for payment authorization and, upon approval; warrants will be mailed to the vendors the next business day.

4.2.6 When a regularly scheduled Commission meeting is cancelled; at the discretion of the District Auditor, District Auditor; or General Manager; warrants may be paid to vendors, contractors, and service providers prior to Commission approval. The prepayment vouchers will be approved at the next scheduled Commission meeting.

4.3 DISTRICT CREDIT CARD PURCHASES

4.3.1 Credit card bank statements must be reconciled with the purchase receipt documentation prior to payment being made.
4.3.2 Late payment fees will be charged to a department’s budget when the fees are caused by delays in credit card payments due to an employee or Department Supervisor not sending supporting documentation to Accounts Payable in a timely manner or when receipts or necessary documentation have been misplaced or lost by the employee or Department Supervisor.

4.3.3 After processing, the voucher will be reviewed by the Auditor and submitted to the Commission for payment authorization.

4.4 DISTRICT CREDIT CARD USE FOR TRAVEL

4.4.1 When employees use a District credit card, detailed receipts shall be retained, attached to an expense claim voucher, and turned in to Accounts Payable within five working days of returning from the travel. Each receipt must clearly identify the type of expense (e.g., air fare, hotel room, etc).

4.4.2 After processing, the voucher will be reviewed by the District Auditor and submitted to the Commission for payment authorization.

4.5 PURCHASE ORDERS

4.5.1 Accounts payable will prepare vouchers for payment after the approved packing slip has been reconciled with the purchase order and vendor invoice. However, in certain cases of materials purchased or services rendered, the Accounting administrative assistant will prepare vouchers for payment after all required documentation and verification has been received.

4.5.2 The Purchasing Agent or Electrical/Water Superintendent must approve all price adjustments, if a discrepancy is found between a purchase order and invoice.

4.5.3 Price adjustments to the purchase order must be made and a copy of the corrected purchase order sent to Accounts Payable before the invoice is processed for payment.

4.5.4 All price or quantity adjustments on purchase orders must be made in NISC prior to payment processing.

4.5.5 After obtaining approvals and verification has been made, the voucher will be routed to the District Auditor for review.

4.5.6 The District Auditor will submit the voucher to the Commission for payment authorization.

4.6 FORMAL MATERIAL & EQUIPMENT CONTRACTS

4.6.1 Material and equipment procurement contract payments will be vouchered by the Accounting administrative assistant after reconciling receiving documents with vendor invoices and contract documents.
4.6.2 Certain material or equipment contracts require specific information or certifications to be provided by the vendor or other District Departments. Complete vendor and/or District documentation must be provided prior to a voucher being generated.

4.6.3 Department Supervisors and/or the Electrical Superintendent must ensure that all information has been provided in order for the Accounting administrative assistant to reconcile documents prior to generating a voucher.

4.6.4 Vouchers with supporting documentation will be routed to the Department Supervisor and Electrical/Water Superintendent for approval by signature. Approved vouchers will be routed to Accounts Payable for processing.

4.7 **PUBLIC WORK CONTRACTS**

4.7.1 Contractors working on public work contracts $2,500 or less must complete, sign, and submit a "combined intent/affidavit" form to the Accounting administrative assistant prior to payment being made.

4.7.2 Contractors working on public work projects over $2,500 must file an "intent to pay prevailing wage" form with the State of Washington. The Accounting administrative assistant must verify the intent form has been filed with the State prior to payment(s) being made.

4.7.3 At the completion of each project over $2,500, the contractor must file an "affidavit or wages paid" with the State. The Accounting administrative assistant must verify the affidavit has been filed and accepted by the State prior to beginning the process of returning retained funds to the contractor.

4.7.4 All public work projects over $10,000 will have (5%) five percent retained from each invoice submitted by the contractor for payment.

4.7.5 Contractors working on projects with a completion schedule of (45) forty five days or less will not be paid until project completion and acceptance by the District.

4.7.6 Contractors working on a project with a completion schedule of (45) forty five days or more may invoice the District no more than twice per calendar month for those portions of a project that have been completed. The Invoice documents must include description of the portion(s) completed; percentage of project completed; the contract/agreement/purchase order/or work order number; and any other details as necessary to determine the amount of work completed.

4.7.7 Prior to retainage being returned to the contractor, the Commission must accept the project as complete. The Accounting administrative assistant will then determine that all appropriate prevailing wage forms have been filed with the State of Washington by all contractors working on the project, and that all other documents are in order.
4.7.8 The Project Coordinator will verify that all task orders and/or change orders and invoices for a project have been received and vouchedered by the Accounting administrative assistant prior to signing the final payment voucher. Upon signing the voucher, the Project Coordinator will forward the voucher and documents to the Department Supervisor and Electrical Superintendent for signature.

4.7.9 Retained funds for projects up to $35,000 will be held until final acceptance of the project by the District; verification of the intent and affidavit forms being filed; and after the (30) day period for any liens to be filed, as required by law.

4.7.10 Retained funds for projects over $35,000 cannot be paid until; a “Notice of Completion of Public Work Contract” has been filed by the Accounting administrative assistant with the Department of Labor & Industries and the Department of Revenue and a copy e-mailed to the District Auditor and after the District receives letters releasing their lien on the retained funds from the Department of Revenue, Department of Employment Security, and Department of Labor & Industry.

4.7.11 Once retainage release letters are received from the State agencies, the Accounting administrative assistant will attach those forms to the entire file contents with a Voucher/Payment Summary Sheet and present the documents to the District Auditor for approval by signature to release retainage.

4.7.12 After District Auditor approval, the Accounting administrative assistant will prepare the voucher and forward it to the Project Coordinator, Department Supervisor, and Electrical Superintendent for signature.

4.7.13 Upon approval, the voucher will be forwarded to accounts payable for processing, District Auditor review, and Commission payment authorization.

4.8 PROFESSIONAL SERVICES

4.8.1 Professional services providers must submit invoices at least once each month after services are performed, unless the service will be completed within 45 days from starting the project, in which payment will be made at the completion of the project.

4.8.2 All professional services agreement invoices submitted to the District for payment must be detailed with the following expenses itemized: hours worked and what work was performed; percentage of work completed; dates work performed or expenses incurred; hourly rates; equipment costs; travel expenses; and other agreed upon and allowable expenses. Failure to provide adequate submittal details may cause delays in payments being processed.

4.8.3 All professional services agreements must include payment terms.

4.8.4 Payment submittals for agreements $60,000 or less will be routed to the Department Supervisor and Electrical/Water Superintendent for approval prior to
payment being made. Payment submittals for agreements over $60,000 must be vouchered by the Accounting administrative assistant.

4.8.5 Payment procedures for professional services agreements or contracts advertised by the Commission will be processed in like manner as public work contracts advertised by the Commission, with the exception of prevailing wage and retainage required for public work.

4.9 **RIGHT TO AUDIT**

4.9.1 The District shall have the right to audit all contractor or service provider records pertaining to the work performed or service provided at any time during a project and within one year after the completion of work or service.

4.9.2 At the District’s discretion, prior to awarding a project, contractors or service providers may be removed from the list of responsible bidders or capable providers if exception is taken to the District’s auditing requirements.

4.9.3 Should a contractor or service provider refuse to allow the District to audit their records, the District may terminate any current contracts or agreements with the contractor or service provider and/or deny them the opportunity to bid on future District needs for work or services.

4.9.4 The right to audit clause shall be included in all District public work contracts and professional services agreements.

4.10 **CONTRACTOR OR VENDOR PRE-PAYMENTS**

4.10.1 Advance payment cannot be made for materials, work, or services not received by the District. Vendors and contractors must be informed prior to entering into an agreement or contract that advance payments are not allowed, including down payments or deposits.

4.10.2 Should a vendor or contractor take exception to this requirement, the District shall enter into an agreement or contract with the responsible bidder submitting the next lowest responsive quote or bid.

4.10.3 The vendor or contractor taking exception to this requirement will not be allowed to bid on the same material or project, if a second call for bids is necessary.

4.10.4 Once materials have been delivered to a job site, although not yet installed, the contractor may submit an invoice for payment of received materials through the District’s regular payment process.

4.10.5 Material or supplies that are invoiced at the time of shipment will not be paid until the items are received, inspected, and approved for payment by the appropriate District representatives.
4.10.6 Excluded from this requirement are advance payments for agreements or contracts entered into by the District for services that will be delivered or performed within a specified future time frame (software support, equipment maintenance, etc.).

4.10.7 Excluded from this requirement are those large items that can require special handling and preparation (large transformers). These items will be identified to the Board of Commissioners prior to purchase.
SECTION – 5
RECEIVING

5.1 GENERAL

5.1.1 To establish a uniform and expeditious method of receiving and accounting for all materials, equipment, and supplies purchased and delivered; and to ensure that said items conform to the expected quality and standards of the District.

5.1.2 It is understood that some signatures are only an acknowledgment of the delivery, and further verification for quality, quantity, and specifications in accordance with the following instructions will be performed by those responsible for the purchase and/or use of the item.

5.1.3 Immediately forward all original receiving documents to the Materials Department for processing.

5.1.4 Receiving documents must have the applicable information as noted in Section - 5.3.2.

5.2 FRONT-END OFFICE DELIVERIES (UPS, FED-X, COURIERS, etc.)

5.2.1 Sign with a full signature to acknowledge the delivery.

5.2.2 Notify the department or employee named on the shipping label; and leave any receiving documents attached to the carton, package, envelope, etc.

5.2.3 If no department or individual is identified, notify the Materials Department.

5.2.4 If delivered items appear to be correspondence or bid documents; route them to the Records Department.

5.3 ITEMS PURCHASED WITHOUT A PURCHASE ORDER

5.3.1 Sign the receiving document with a full signature and date received.

5.3.2 Ensure that all of the following pertinent information is included:
- Vendor's name
- Purchase order number
- Work order number
- Vehicle or equipment number
- Department name or code
- Brief description of the item
- Budget code or what the item is to be used for
- Freight carrier (UPS, FED-X, Oak Harbor, etc.)

5.3.3 Upon verification of all necessary information, immediately forward the document(s) to the Materials Department for processing.
5.4 ITEMS ORDERED ON PURCHASE ORDERS & INVENTORIED MATERIAL

5.4.1 Locate the packing slip, inspect the shipment, and ensure that the receiving documents contain the following pertinent information:
- Freight bill attached
- Full signature of receiver
- Vendor name
- Freight carrier, if applicable
- Date received
- Item quantity (circle quantity received) and description
- Work order, truck, or stock number
- Budget information or a brief explanation of what each item is for

5.4.2 Upon verification of all necessary information, immediately forward the document(s) to the Materials Department for processing.

5.4.3 All inventory material freight shipments should be processed and put away the same day received.

5.4.4 Prior to the annual physical inventory, the Purchasing Agent shall determine the last day freight is to be processed prior to the inventory count.

5.4.5 The Materials Assistant shall review receiving documents to ensure that all necessary information has been provided prior to processing. If information is missing, the documents will be returned to the receiver for completion.

5.4.6 The following pertinent packing slip information shall be compared with the purchase order:
- Vendor name
- Freight terms
- Work order number
- Stock number
- Vehicle number
- Quantity ordered
- Catalog or model number
- Item description

5.4.7 Completed receiving document information shall be entered into the computer on a daily basis.

5.4.8 All processed packing slips shall be routed to the Purchasing Agent or Electrical Superintendent for review and signature before forwarding to accounts payable.

5.4.9 All signed receiving documents pertaining to contracts must be forwarded to the Accounting administrative assistant for processing.
5.5 LICENSED VEHICLES & EQUIPMENT

5.5.1 All vehicles and licensed equipment are to be delivered to the District’s Four Corners Operations Center. Upon delivery, the vehicle or equipment will be inspected to ensure compliance with specifications as outlined in the contract or purchase order.

5.5.2 If irregularities are found, contact the Department Supervisor and the Purchasing Agent immediately for instructions.

5.5.3 After passing inspection, an authorized District Representative will sign all receiving documents and forward them to the Materials Department. The Auto Shop will hold documents necessary for licensing until the vehicle or equipment is ready for licensing.

5.5.4 If the vehicle or equipment was purchased by contract, the receiving documents will be forwarded to the Accounting administrative assistant for processing.

5.5.5 If purchased using a purchase order, the receiving document information will be recorded in the computer by the Materials Department; then forwarded to the Accounting Department.

5.5.6 The Materials Department will forward copies of all documents pertaining to the purchase of every vehicle or piece of equipment to the Records Department.

5.5.7 The District Auditor will be notified by the Materials Department or Auto Shop immediately upon delivery of the vehicle or equipment.

5.5.8 After licensing; the title, odometer statement, certificate of origin, and other documents held for licensing will be forwarded to the Records Department to be copied into permanent record then forwarded to the Accounting Department for processing.

5.6 PRIMARY URD CABLE CONTRACT SHIPMENTS

5.6.1 Prior to unloading, inspect each shipment for:
   a. Verification of the number of reels on the truck with the freight bill
   b. Damaged reels and/or cable
   c. Damaged reels and/or cable
   d. Required packaging and protective covering
   e. Manufacturer reel tags properly filled out and attached to each reel
   f. Correct duct size and specifications (if CIC)
   g. Reels shipped on flanges
   h. Correct cable specifications:
      1. Size
      2. Insulation type and thickness
      3. Jacket type and thickness
      4. Red extruded stripes
      5. Sequential footage markings
      6. Lightning bolt and “Danger” wording on the jacket
7. Manufacturer name stamped on cable jacket

5.6.2 Notify the Purchasing Agent immediately if anything is found that does not meet the District's specifications, is missing, or is damaged.

5.6.3 Do not unload the cable. The Purchasing Agent will determine if the shipment is to be rejected and sent back to the shipper.

5.6.4 If all is in order, unload the shipment in the receiving area for future processing.

5.6.5 Compare the receiving documentation with the purchase order information.

5.6.6 Attach the freight bill to the back of the packing slip and forward the information to the Materials Assistant for entry into the computer.

5.6.7 The receiving documents will be forwarded to the Accounting administrative assistant after being inspected and signed by the Purchasing Agent.

5.6.8 Fill out a District reel tag with the following information:
- Stock number
- Cable description including insulation thickness
- Cable length
- Jacket thickness
- Beginning and ending sequential footage markings
- Date received & tare weight

5.7 DISTRIBUTION TRANSFORMERS

5.7.1 Prior to unloading, check the freight bill to ensure the District is the consignee and inspect the load for visible damage.

5.7.2 If damage is observed, only the Purchasing Agent or Electrical Superintendent may authorize the unloading of damaged transformers.

5.7.3 If a transformer is leaking oil, the entire shipment must be refused. DO NOT UNLOAD LEAKING TRANSFORMERS!

5.7.4 If no signs of damage are apparent, unload the shipment. Briefly inspect each transformer for exterior damage (broken bushings, dents, scratches, etc.) or leaking oil. Note any damaged or leaking transformers on the freight bill by size and serial number.

5.7.5 Prior to signing the freight bill, verify the unit count.

5.7.6 Date and sign the freight bill with a full signature, then obtain the carrier driver's signature.

5.7.7 Attach the freight bill to the back of the packing slip.
5.7.8 Open all pad-mounted transformers and check the serial number against the packing slip.

5.7.9 Inspect all pad-mounted units for interior damage and oil leaks.

5.7.10 Using a magnet, verify all stainless steel units have all stainless steel components.

5.7.11 Verify that the information on the packing slip matches the units received.

5.7.12 Inspect a minimum of (10%) ten percent of single-phase and all three-phase pad-mounted units for proper fusing.

5.7.13 Isolate and flag any units found with damage or discrepancies. List the transformers by size and serial number with a description of the problem on the packing slip.

5.7.14 Apply all required District decals; include a company number.

5.7.15 Fill out a Transformer Receiving Document (Form 01-30) for each type of transformer received.

5.7.16 The District’s company number and the serial number for each transformer received must be recorded on the appropriate form.

5.7.17 After processing; forward the receiving documents to the Materials Assistant.

5.7.18 If purchased on a purchase order, the Materials Assistant will enter the information into the computer and forward to the Purchasing Agent for review and signature. The receiving documents will then be sent to the Accounting administrative assistant for processing.

5.7.19 If purchased on a contract, the Materials Assistant will forward the receiving documents to the Electrical/Water Superintendent for review and signature. The receiving documents will then be sent to the Accounting administrative assistant for processing.

5.7.20 Transformer contract vouchers with all pertinent documents attached shall be sent to the Distribution Systems Manager for signature, routed to the Electrical Superintendent for approval, and forwarded to accounts payable for payment processing.

5.8 MOTOR FREIGHT DELIVERIES

5.8.1 It shall be the responsibility of the employee receiving the shipment to: Inspect the freight shipment for visible damage before unloading. If damage is found, ask the Purchasing Agent and/or Warehouse Supervisor to inspect the damage.
a. If the damage has rendered the material useless to the District, have the truck
driver mark "REFUSED" on the freight bill. DO NOT unload the shipment.
Note: Do not sign the freight bill if the shipment is refused.

b. Never unload or move freight belonging to anyone other than the District. If
District freight cannot be unloaded because of other materials blocking
access, the carrier driver must either move the obstruction without the aid of
District equipment or personnel, or leave and deliver the District's freight the
next day. The Purchasing Agent or Electrical Superintendent may make an
exception depending upon the freight being delivered to the District and the
freight items that must be moved in order to unload District freight.

c. Carefully unload the District's freight, and again inspect for damage.

d. Locate the packing slip and/or freight bill of the parcel or item(s) received.

e. Inspect the shipment and compare the number of packages, cartons, pallets,
etc. with the quantities indicated on the freight bill.

f. Inspect for damage (dents, scratches, crushed cartons, broken glass, etc.).

g. Note any damage or shortages on the freight bill and immediately notify the
Purchasing Agent.

h. Ensure that both the receiver and carrier driver have signed the freight bill.

i. Check each receipt or freight bill to verify it clearly indicates the following
pertinent information:
1. "Ship to" address is the same District address where the shipment is being
received. Note: Notify the Purchasing Agent if freight deliveries requiring
forklift unloading are delivered to any District location other than the
District's Central Warehousing Facility.
2. Vendor name
3. Shipper name
4. Carrier name
5. Date received
6. Verify the number of pallets, cartons, boxes, reels, etc. listed on the freight
bill
7. Full signature of receiver
8. Carrier driver signature

5.8.2 The freight bill must be attached to the back of the packing list. If a packing list
cannot be located, a receiving report form must be used.

5.9 FREIGHT SHORTAGES OR DAMAGES

5.9.1 Sufficient details should be noted on the freight bill, and both the driver and
receiver must sign the document to acknowledge the shortage or damage prior to
the carrier's departure.
5.9.2 The receiver should record any shortage or damage found subsequent to the carrier's departure on the freight bill or packing slip. The Purchasing Agent should be notified immediately upon noticing shortages or damages and, after verifying the shortage and/or inspecting the damage, notify the vendor and, if necessary the freight company to initiate a claim.

5.9.3 Keep all damaged goods, containers, wrapping, and packing materials.

5.9.4 Immediately forward all documents to the Materials Department for processing.

5.9.5 All evidence of damage must be kept until notified by the Purchasing Agent as to the disposition of a damage claim and/or arrangements made for the return of the item(s).

5.9.6 After the shortage or damage has been resolved, the information will be noted on or attached to the receiving documents and forwarded for to the Accounting Department for processing.

5.9.7 The Purchasing Agent will notify Accounts Payable if payment is to be withheld and when payment may be made after the claim has been resolved.

5.10 **FREIGHT RETURNS**

5.10.1 Notify the Materials Department.

5.10.2 The Purchasing Agent shall determine the appropriate return process.

5.10.3 Obtain a return authorization from the Vendor, which must include the following:
  - Return name and address (no post office boxes)
  - Preferred freight carrier
  - Restocking charges if applicable
  - Packaging instructions
  - Freight terms

5.10.4 All returned goods must be shipped per Materials Department instructions.
SECTION - 6
MISCELLANEOUS PURCHASES

6.1 MISCELLANEOUS MATERIALS AND SUPPLIES (up to $1,000)

6.1.1 With the exception of inventoried materials, authorized employees may purchase non-inventoried materials, supplies, and services without a purchase order when a transaction does not exceed $1,000.

6.1.2 Signed receipts must be submitted immediately to the Materials Department for every purchase and as a minimum must include:

- Vendor name
- Employee signature
- Date of purchase
- Work order number or budget code (if applicable)
- Details or description of the purchase
- What items are used for
- Department name

6.1.3 Approvals & Signatures:

- Employee
- Department Supervisor
  (Discretion)
- Purchasing Agent

6.2 DISTRICT CREDIT CARDS

6.2.1 RCW 43.09.2855, RCW 42.24.115, provides the authority for the use of a credit card when paying for authorized District purchases and District travel. The District Auditor shall be the designated Credit Card Custodian (Custodian). Individual cards may be issued and limits adjusted based upon demonstrated need.

6.2.2 At all times, card users are expected to safeguard District cards in their possession from fraudulent use due to theft or physical loss.

6.2.3 The purchasing authority delegated by the Custodian authorizes employees to charge an amount not to exceed $1,000 per single transaction; with the exception of the Materials Department, Human Resources, IT Department, and Electrical Superintendent credit cards which charges may be up to the individual credit card limit. The Custodian shall set, monitor, and adjust all credit card limits as necessary.

6.2.4 Credit cards may be issued to Commissioners and employees (users) for use in conducting District business. Cards may be assigned to individual users based upon demonstrated need. Business travel expenses incurred while on authorized District travel status would include, but is not limited to transportation and lodging. Cards are not to be used for meals or personal expenses. Cash advances drawn on District Credit Cards are strictly prohibited [RCW 43.09.2855(6)].
6.2.6 Credit card purchases made in person, by phone, via fax, or over the Internet, must be supported by complete documentation. A signed copy of the order and/or confirmation must be forwarded to the Accounting Department immediately after the purchase with the following applicable information:
- Vendor name
- Employee signature
- Date of purchase
- Work order number or budget code
- Details or description of the purchase
- What items are used for
- Department name
- Method of shipment if known

6.2.7 Card expenses that are either not receipted, or are otherwise disallowed in accordance with RCW 42.24.080, will be paid to the District by the responsible user as prescribed in RCW 42.24.115(2). Failure to comply with RCW 42.24.115(2) before the card billing is due and payable may invoke penalty paragraph (3), same RCW.

6.2.8 Approvals & Signatures:
- Employee
- Department Supervisor (Discretion)
- Purchasing Agent

6.3 DISTRICT TRAVEL

6.3.1 Employees may be paid in advance of travel for meals and miscellaneous expenses on a per diem rate by requesting a per diem warrant from Accounts Payable. The request must be submitted at least two weeks prior to the travel. Advance travel per diem warrants will not be issued when requests are made less than two weeks prior to the travel.

6.3.2 When employees use a District credit card, detailed receipts shall be retained, attached to an expense claim voucher, and turned in to Accounts Payable within five working days of returning from the travel. Each receipt must clearly identify the type of expense (e.g., air fair, hotel room, etc).

6.3.3 An expense claim voucher for reimbursable expenses not charged on a District credit card must be submitted to Accounts Payable within thirty days of the earliest expense item shown on the voucher. Reimbursements less than $25 may be requested from petty cash. The General Manager may approve other exceptions for employees when the requirement of this provision is not met and circumstances warrant special consideration.

6.3.4 When Commissioners use a credit card, the same procedures apply as above.
6.3.6 Approvals & Signatures
  ✅ Employee
  ✅ Department Supervisor
  ✅ General Manager
  ✅ Commission Approval

6.4 PETTY CASH FUND

6.4.1 Payment for the purchase of materials or supplies not exceeding $25 in area offices, may be made from the petty cash fund.

6.4.2 The District Auditor must approve payments from this fund provided; in cases of emergency; incidental use; time limitations; etc.; purchases may be presented to the Custodian of the revolving fund at any of the District’s offices for payment.

6.4.3 The above procedure shall also apply to reimbursements from the Petty Cash fund when an employee pays for authorized purchases out-of-pocket.

6.4.4 Approval and Signatures:

a. Area Offices - $25
   ✅ Employee submitting the claim
   ✅ Petty cash fund Custodian

b. Reimbursements over $25
   ✅ Employee
   ✅ Petty Cash Fund custodian
   ✅ Plus any one of the following: District Auditor, District Auditor or General Manager

6.5 CREW MEALS – per union contracts

6.6 TOOLS (less than $500)

6.6.1 An authorized employee may purchase tools not exceeding $500 per transaction without using a purchase order, after receiving approval from their Department Supervisor.

6.6.2 Approvals & Signatures
  ✅ Employee
  ✅ Department Supervisor
  (Discretion) ✅ Purchasing Agent
SECTION - 7
PURCHASE ORDERS

7.1 GENERAL

7.1.1 Authorized employees may purchase non-inventoried materials, tools, equipment, and supplies up to $1,000 per transaction without a purchase order. Included are expenses reimbursed from the petty cash fund, crew meals charged or purchased at restaurants during after-hours emergency work, tools not exceeding $500 per transaction, non-inventoried materials, and supplies.

7.1.2 Purchase orders must be used for inventoried material purchases of any value.

7.1.3 Purchase orders shall be generated from information provided on a signed NISC electronic requisition form.

7.1.4 Materials, equipment, and supplies may be purchased in an amount not to exceed $15,000 per item of like kind per calendar month without obtaining quotations. However, prudent procurement practices favor obtaining informal quotes for purchases less than $15,000 whenever possible.

7.1.5 Purchase orders may be used for small work projects up to $60,000 and professional services up to $60,000, if a Dig Slip is not used.

7.1.6 Unless requested by a vendor, purchase orders are not required for contractual public work up to $25,000; professional services up to $10,000; and those purchases listed in: [Attachment "B"].

7.1.7 Purchase orders may only be used for purchases or contractual services that do not exceed the limits set forth by state statute and District policy and procedures.

7.1.8 Purchase orders shall not be cancelled unless the purchase, work, or service is cancelled.

7.1.9 The Materials Department is the only department allowed to utilize electronic purchase order forms.

7.1.10 Approvals & Signatures
   ➢ Employee
   ➢ Department Supervisor
   ➢ Purchasing Agent
   ➢ Electrical/Water Superintendent (Contractual Services)

7.2 REQUISITIONS

7.2.1 A requisition form is the electronic record of a request for materials, equipment, supplies, or services. To ensure accurate and expedient processing, the most current electronic requisition form must be used.
7.2.2 Requisitions shall only be generated and sent using the electronically formatted form. The requisition form is in the NISC system.

7.2.3 After completing the electronic requisition form, e-mail it to the Purchasing Agent for processing by the Materials Department. Do not print the form and scan it into one of the District’s multi-function copy machines.

7.2.4 Not used

7.2.5 The Materials Department must not alter the information entered into an electronic requisition form by other departments. Changes or subsequent information should only be entered in the quotation or purchase order forms.

7.2.6 Approvals & Signatures
   - Employee
   - Department Supervisor

7.3 REQUISITION FORMAT

7.3.1 Vendor information: Enter the vendor’s name, if known. If a new vendor, fill in the address, contact person’s name, phone number, and fax number; also record the billing address and accounts receivable person’s name, phone number, and fax number, if known. The phone and fax number fields have been formatted for a 10-digit phone number (enter as 8005551234).

7.3.2 Comments: Enter any text on the comment lines that should be considered by the Materials Department when processing the request. This information may be removed by the Materials Department prior to sending the purchase order.

7.3.3 Used For: Give a brief description of what the purchase will be used for. This information will be recorded on the purchase order.

7.3.4 Department: Enter the name or code number of the department whose budget will be charged for the purchase.

7.3.5 W.O. #: Enter the work order number, if applicable. Use a separate line to enter the quantity for each work order number even if the purchase is to be divided equally. If this is a stock item, do not enter a work order number.

7.3.6 Stock Number: Enter the District’s inventory stock number, if known. Do not enter a manufacturer’s catalog number or model number in this field.
7.3.7 Order Quantity: Enter the quantity to be ordered. Make sure the quantity corresponds with the unit price. Enter whole numbers only – (Do not enter decimals or fractions).

7.3.8 UOM: Enter the unit of measure that corresponds to the unit price. EA = each; FT = feet; LB = pound; HR = hour; etc. (Attachment “C”).

7.3.9 Catalog Number and/or Description: Enter the manufacturer’s catalog or part number first on this line, followed by a description of the material being requested. Always enter labor costs and material costs on separate lines.

7.3.10 Budget Code: Always enter the budget code (301, 404, 603, etc.) for the department that will be charged for this purchase.

7.3.11 Unit Price: Enter the cost per unit, if known. If left blank, the Materials Department will obtain quotes from suppliers. Important – make sure the unit price corresponds with the order quantity and unit of measure.

7.3.12 Amount: This field is automatically calculated.

7.3.13 Ship Date: If known, enter the date the item will be shipped from the vendor or the date work is to commence.

7.3.14 Requested By: Type in your name or sign electronically before e-mailing the requisition form “Requisitions”

7.4 BLANKET PURCHASE ORDERS

7.4.1 All blanket purchase orders must be pre-approved by the Purchasing Agent and only used if advantageous to the District.

7.4.2 Blanket purchase orders may be used when recurring purchases are made with a vendor on a regular basis throughout the month. The order number must be given to the vendor prior to the beginning of the month and must be recorded on all documents submitted for payment.

7.4.3 Every transaction with the vendor must be submitted to the Materials Department in the form of a signed receipt containing the appropriate information as outlined in Section 5 (Receiving).

7.4.4 At the end of the month, the Materials Department will close out the blanket purchase order and, if advantageous to the District, issue a new blanket purchase order for the upcoming month.

7.4.5 A separate purchase order is required if a single transaction exceeds $1,000.

7.4.6 Approvals & Signatures
   > Purchasing Agent
7.5 CONFIRMING PURCHASE ORDERS

7.5.1 Confirming purchase order numbers should only be issued in an emergency as defined in RCW 39.04.280. Contact the Purchasing Agent or Electrical/Water Superintendent for authorization, if a confirming purchase order is required.

7.5.2 Approvals & Signatures
- Department Supervisor
- Purchasing Agent or Electrical/Water Superintendent

7.6 QUOTATIONS

7.6.1 Written quotations must always be obtained prior to vehicle or equipment repairs over $1,000 being performed by a contractor.

7.6.2 The Purchasing Agent shall determine if informal verbal, written, or electronic quotations from at least three vendors are necessary to ensure competitive bidding when purchasing materials, equipment, or services.

7.6.3 Sufficient and equal time (one to ten business days) shall be given to all bidders in order for them to respond.

7.6.4 The quotation document must clearly indicate the date quotes are due. Quotations received after the date due may not be considered unless approved by the Purchasing Agent or Electrical Superintendent.

7.6.5 The Department Supervisor, Purchasing Agent, or Electrical/Water Superintendent shall determine if alternate materials, equipment, or services will be considered.

7.6.6 Each individual item will be considered a separate quote. Different items may be awarded to different bidders based upon the lowest evaluated cost or other pre-established criteria, unless the District and/or bidder indicates the entire quote is to be awarded “all or none.”

7.6.7 The Purchasing Agent or Electrical/Water Superintendent shall determine if the “all or none” option is in the best interest of the District.

7.6.8 Bids may be awarded to the lowest responsible bidder after evaluation based upon criteria set forth in RCW 43.19.1911 (price, specifications, availability, etc.).

7.6.9 A bid tabulation sheet shall be prepared and filed in the Materials Department, open to public inspection, and made available by telephone or electronic inquiry.

7.7 PURCHASE ORDER ROUTING

7.7.1 Purchase orders will be routed for approval signatures, or sent to the vendor within two business days after receiving the electronic requisition form in the Materials Department.
7.7.2 If the Purchase Order must be expedited, the generator of the request must conspicuously mark “RUSH” on the requisition form with a brief explanation for the urgency.

7.7.3 The original purchase orders will not be e-mailed to another department or employee during the approval process.

7.7.4 The Materials Department shall, as a normal and routine practice, immediately e-mail or fax all completed purchase orders to vendors upon final approval. If the purchase order includes labor performed by workers not employed by the District, a copy of the purchase order shall be sent to the Accounting administrative assistant to be mailed with prevailing wage compliance information.

7.7.5 If the generator of the purchase order prefers to personally notify the vendor to proceed, a black & white copy of the finalized purchase order may be obtained from the Materials Department.

7.7.6 After all approval signatures have been obtained, a copy of the purchase order will be forwarded to Accounts Payable.

7.7.7 The original documents will be filed in the Materials Department and retained for a period of not less than ten years.

7.7.8 Transformer purchase orders shall follow the above procedures except a copy of the approved purchase order must be forwarded to the Accounting administrative assistant immediately after issuing to the vendor.

7.8 CHANGE ORDERS

7.8.1 Purchase orders with an “estimated” cost; or “estimated not to exceed” amount can be changed without issuing a change order. The word “estimated” must appear on the purchase order if the dollar amount is to be adjusted after the work or material purchase has been completed.

7.8.2 Purchase order changes must be submitted to the Materials Department on a change order form (copy of the original purchase order clearly marked “REVISED” and indicating in detail the changes to be made). The Purchasing Agent must pre-approve all changes.

7.8.3 Approved changes will be made to the original purchase order by the Materials Department. The purchase order must be clearly marked “REVISED” with the date and a brief explanation as to the reason for the change recorded on the order, and a copy saved without altering the original document by using the original purchase order number followed by an “R”.

7.8.4 Change orders in excess of ten percent of the original total cost must have the original order documents attached and then routed for the same approval signatures as the original purchase order.
7.8.5 A copy of the approved changed purchase order must be forwarded to Accounts Payable.

7.8.6 The change order must be attached and filed with the original purchase order form.

7.8.7 Approvals & Signatures
   - Department Supervisor
   - Purchasing Agent

7.9 FREIGHT TERMS

7.9.1 At the time quotations are obtained, the vendor and District must agree upon the freight terms. **Under no circumstances is freight to be shipped to the District "Freight Collect".**

7.9.2 Freight terms acceptable to the District:

   a. **Freight Prepaid and Allowed**
      The vendor pays the freight and the District will not be billed separately for freight charges.

   b. **Freight Prepaid and Added to the Invoice**
      The vendor will pay the freight and add the freight charges as a separate line item on the invoice.

   c. **F.O.B.**
      Freight On Board refers to the ownership of the goods while in transit from the supplier or factory to the District. It does not determine who will pay the freight charges.

7.9.3 The Purchasing Agent or Electrical/Water Superintendent must pre-authorize any other freight terms.
SECTION – 8
PUBLIC WORK & MATERIAL CONTRACTS

8.1 PUBLIC WORK & MATERIAL PURCHASES - GENERAL [RCW 54.04.070]

8.1.1 Public work includes all work, construction, alteration, repair or improvement of District facilities performed by District personnel or private contractors.

8.1.2 Public work may be performed by District employees when the total cost of material for a single project does not exceed $150,000.

8.1.3 The limit on the value of material on work being performed by District employees may not include the value of individual items purchased and used as one unit of a project.

8.1.4 Public work projects may be let using the small works process when the estimated cost of a project is $300,000 or less. Projects over $300,000 must have Commission approval prior to advertising for bids.

8.1.5 A bid surety and performance bond is not necessary for public work projects up to $60,000; however, retainerage must be withheld from payment submittals for projects over $10,000.

8.1.6 A separate contract must be let for each public work project, when the estimated cost is over $25,000; unless the language in the bid and contract documents allows for additional future work as defined in the scope of the project.

8.1.7 The quantity in a material, equipment, tool, or supplies contract may not be increased after the contract has been let, unless the language in the bid and contract documents allows for future increases in quantity.

8.1.8 Material purchases over $60,000 per item of like kind within a calendar month must be advertised by permission of the Commission.

8.1.9 Payment submittals will follow procedures outlined in Sections - 4.6 & 4.7.

8.1.10 Public work projects and material purchases for items of like kind per calendar month may not be divided into smaller projects or purchases in order to circumvent competitive bidding statute requirements.

8.2 FORMAL CONTRACTS ADVERTISED BY THE COMMISSION [RCW 54.04.070]

8.2.1 Any item or items of like kind of materials, tools, equipment, vehicles, supplies, purchased within a calendar month with an estimated cost over $60,000 or public works projects with an estimated cost over $300,000 shall be by formal contract after solicitation for competitive bids has been authorized by the Commission.
8.2.2 All contract documents regarding formal bids from vendors or contractors for goods or work must be routed through the records department in order to ensure that they are properly recorded and filed. This includes, but is not limited to:

- Requests for bid proposal sent to bidders
- Proposals received from bidders
- Letter to successful bidder
- Letters to unsuccessful bidders
- All correspondence including e-mails
- Copy of contract
- Copy of business license information
- Prevailing wage information
- Vouchers
- Project completion documentation

8.2.3 All contract documents pertaining to material purchases or public work projects must be processed by the Accounting administrative assistant.

8.3 ALTERNATIVE BID PROCEDURE (Material, Equipment, Tools, & Supplies)
[RCW 54.04.082, DISTRICT RESOLUTION NO. 1763-04]

8.3.1 Nothing in this procedure is intended to circumvent state statutes or District policies that require competitive bids.

8.3.2 At least twice per year, the Purchasing Agent shall have published in a local newspaper of general circulation a notice to solicit the names of vendors who wish to bid on the District’s materials, equipment, tools, and supplies needs. A vendors list will remain on file in the office of the Purchasing Agent.

8.3.3 Prudent purchasing practices recommend, but do not require, obtaining informal written quotations from three or more suppliers, when possible, for purchases up to $15,000 per item of like-kind per calendar month.

8.3.4 In order to preserve the competitive bidding process, informal written quotations from three or more suppliers, when possible, for the purchase of materials, equipment, or supplies in an amount over $15,000 but less than $60,000 per item of like-kind, per calendar month is required. Informal quotations pursuant to this section need not be advertised. Purchase orders must be used when awarding the bids.

8.3.5 Immediately after the due date, bid quotations shall be recorded, open to public inspection, and made available by telephone, e-mail inquiry, and/or on the District’s website.

8.4 "ITEMS OF LIKE KIND" (DEFINITION)
[RCW 54.04.070; 54.04.080]

8.4.1 "Items of like-kind" are defined as items that are of the same: insulation, material, length, width, size, voltage, phases, current rating, interrupting rating, voltage rating, strength, diameter, weight, capacity, function, physical design,
pressure, etc. that are considered interchangeable and perform in the same manner.

8.5 **FORMAL BID DOCUMENT PREPARATION**

8.5.1 The Accounting administrative assistant will prepare the bid documents from detailed information provided by the Department Supervisor and/or Project Coordinator.

8.5.2 Bid documents considered as part of the total contract shall include, as a minimum, the applicable sections: Invitation to Bid; Notice and Instructions to Bidders; Specifications; Proposal forms; and a copy of the Contract. All applicable information and instructions pertaining to the items listed below shall be included within these documents along with any other necessary information required by the District to accurately and fairly evaluate bid proposals submitted by all responsible bidders.

- Invitation to bid, with the bid number
- Call for bids (including location, date, and time of opening)
- Total quantity
- Provision for an estimated total cost or a “not to exceed” amount
- Description and scope of work
- Detailed Specifications and drawings
- Availability of documents
- Bid proposal instructions
- Bid surety and performance bond
- Hold harmless clause
- Dispute resolution
- Right to audit clause
- Instructions for including contractor identification number
- Sales tax information
- Prevailing wage & retainage information
- Shipping and packaging requirements

8.5.3 A copy of the material sheets generated by the work order system must be sent to the Purchasing Agent immediately after being finalized. Any items that need to be ordered for the project must be on order prior to the final document review.

8.5.4 The Department Supervisor must approve the final draft of the documents by signature and attach a cost estimate prior to sending the documents to the Electrical Superintendent.

8.5.5 After final review the Electrical Superintendent will forward the approved documents with the attached bid estimate to the Accounting administrative assistant.

8.5.6 Prior to a project or purchase being advertised; a complete and final set of documents, including an electronic copy of the project estimate approved by the Electrical/Water Superintendent, must be on file in the office of the Accounting
administrative assistant. The Commission will not be petitioned to advertise the project or purchase until all documents have been finalized and approved. The signatures of the Project Coordinator, Department Supervisor, and Electrical/Water Superintendent are required on the final document packet.

8.5.7 Approvals & Signatures
   ➢ Project Coordinator
   ➢ Department Supervisor
   ➢ Electrical/Water Superintendent

8.6 FORMAL INVITATION TO BID

8.6.1 The Accounting administrative assistant will prepare an inter-office memorandum to be signed by the Electrical/Water Superintendent, Department Supervisor and Project Coordinator, if applicable, and sent to the General Manager recommending that the Commission be petitioned for approval to publish an invitation to bid in a newspaper of general circulation and appropriate trade journals.

8.6.2 The invitation to bid must be published a minimum of (13) thirteen calendar days from the date first advertised to the day of the bid opening.

8.6.3 Once the invitation to bid has been published, bid documents will be mailed, e-mailed, or made available on the District’s web site to all suppliers capable of supplying the material or contractors qualified to perform the work.

8.6.4 In cases where a plan deposit is required, notification of the pending bid opening will be sent to all contractors qualified for the work, with instructions as to how bid documents might be obtained and the cost of the document package.

8.6.5 Approvals & Signatures:
   ➢ Electrical/Water Superintendent

8.7 FORMAL ADDENDA

8.7.1 Once a project has been advertised, the bid due date and/or project documents can only be altered via addenda. A copy of each project addendum must be sent to all bidders.

8.7.2 Every addendum must be signed and included in the proposals submitted by all bidders. Failure to include signed addenda will render a bid non-responsive.

8.7.3 Approvals & Signature
   ➢ Electrical/Water Superintendent

8.8 FORMAL BID SUBMITTAL

8.8.1 All bidders must respond by using the District’s proposal form. Any bid received in any other format may be considered non-responsive.
8.8.2 Each formal bid must be in a sealed envelope with a "sealed bid" sticker identifying the bid number on the outside of the envelope. These envelopes are not to be opened until the bid opening. Faxed proposals will not be allowed for formal bids, but are allowed for informal Requests for Quotations and Requests for Proposals.

8.8.3 Each sealed bid envelope must include a bid surety in the amount of (5%) five percent of the bid value in the form of a bid bond or cashier's check.

8.8.4 The date and time received by the District shall be recorded on all proposals submitted.

8.8.5 Bids are to be sent to the Records Department and certified as received. They are then placed in the District's main vault until the predetermined public bid opening.

8.9 FORMAL BID OPENING

8.9.1 Formal bid openings usually occur on Wednesdays at precisely 3:30 p.m. in the main Commission board room.

8.9.2 The Accounting administrative assistant will bring all proposals received to the bid opening; at which time the Electrical Superintendent and/or Department Supervisor for the project will begin opening the sealed bids at the exact time stated in the bid documents.

8.9.3 Each bid shall be read aloud publicly and all pertinent information recorded on an official District bid tabulation form by the Accounting administrative assistant or designee. The inclusion of any required addenda and the bid surety must be acknowledged and publicly announced.

8.9.4 Attend Bid Opening
   ➢ Project Coordinator
   ➢ Department Supervisor
   ➢ Electrical/Water Superintendent

8.10 FORMAL BID EVALUATION

8.10.1 No bid shall be let if all bids submitted are (15%) fifteen percent or more than the estimated cost of the material or work. Should this occur, the Commission may direct staff to rebid the project or negotiate with the lowest responsible bidder in an attempt to have the bid price lowered to (15%) fifteen percent or less than the estimated project cost. If negotiation is unsuccessful, the Commission may direct staff to either advertise a second time or revise the project scope and/or specifications prior to advertising a second time.

8.10.2 If the District does not receive any bids for the material or work, the Commission may instruct Staff to advertise a second time; have District employees perform the work; or purchase the material on the open market by soliciting informal quotations.

Adopted by PUD BOC 6 January 2015
8.10.3 The Department Supervisor, Project Coordinator, and Electrical/Water Superintendent will evaluate all responsive proposals and select the lowest evaluated bid that best meets the District's needs and requirements. After evaluation and selection of a successful bidder, the Accounting administrative assistant will prepare an inter-office memorandum recommending the award; this is to be signed by the Project Coordinator, Department Supervisor, and Electrical Superintendent. The signed memorandum will be sent to the Executive Assistant to the General Manager for inclusion on the agenda of the next regularly scheduled Commission meeting. The Executive Assistant will forward a copy of the signed memorandum to the District Auditor prior to the Commission meeting.

8.10.4 Approvals & Signatures

➢ Project Coordinator
➢ Department Supervisor
➢ Electrical/Water Superintendent

8.11 LIMITED NOTICE TO PROCEED

8.11.1 Limited notices to proceed may be used when preliminary work on a project must begin prior to finalizing a contract in order to meet scheduling deadlines. The scope and cost of work to be completed under the limited notice to proceed must be clearly defined and approved by the Electrical/Water Superintendent and contractor prior to any work being done.

8.11.2 A limited notice to proceed may be issued for a maximum of (30) thirty days and cannot exceed the cost estimate approved by the Electrical/Water Superintendent.

8.11.3 The cost of a limited notice to proceed must be included in the total contract cost and will be considered as one phase of the project.

8.11.4 Approvals & Signatures

➢ Electrical/Water Superintendent

8.12 FORMAL BID AWARD

8.12.1 The General Manager, Electrical/Water Superintendent, or Department Supervisor will present the bid award recommendation to the Commission at their next regularly scheduled public meeting. The Commission shall be the final authority with regard to whether a bid is "responsive" to the call for bids, and as to whether a bidder is "responsible" under the conditions of his or her bid.

8.12.2 No award of contract shall be invalidated solely because of the failure of a prospective bidder to receive an invitation to bid or when a bidder does not return their bid within the required time frame.

8.12.3 Upon approval of the Commission, staff will immediately proceed with the implementation of the contract.
8.12.4 If the District receives a written protest from a bidder on a public work project within two days after the bid opening, the District may not execute a contract with any bidder other than the protesting bidder until the matter of protest has been resolved (RCW 39.04.105).

8.12.5 Letters and a copy of the bid tab will be sent to the unsuccessful bidders naming the successful contractor. The bid security submitted with their proposal shall be returned with the letter.

8.12.6 The Accounting administrative assistant will prepare two copies of the contract and forward them to the successful bidder along with the bid tabulation. The accompanying notice of award letter will advise that a certificate of insurance and a performance bond must be received by the District within (10) ten days of the bid award prior to the District signing a formal agreement or contract with the bidder, and before given a notice to proceed. The amount of the performance bond required, as set forth in the "Notice and Instructions to Bidders", shall be no less than 25% of the contract value for selected multi-year contracts and no more than 100% of the contract value for contracts completed within one year. The Electrical Superintendent or General Manager shall determine the appropriate amount of the performance bond per contract, if less than 100%.

8.12.7 A low bidder who claims error and fails to enter into a contract will forfeit their bid surety to the District as liquidated damages and will be prohibited from bidding on the same contract, if a second or subsequent call for bids is made. (RCW 39.04.107)

8.12.8 Upon receipt of the performance bond, certificate of insurance, and two copies of the contract signed by the successful bidder, the Accounting administrative assistant will obtain signatures from the District person or persons authorized to sign the contract. The contractor must sign both copies of the contract prior to District Representatives signing.

8.12.9 After all documents have been signed and received; the Engineering Administrative Assistant will prepare a “Notice to Proceed” letter for the Electrical/Water Superintendent’s signature, and return the successful bidder’s bid surety with the letter.

8.12.10 Once the contract work has commenced, payments for such work will be made in accordance with the specifications of the contract and per Sections – 4.6 & 4.7. Contractors may submit no more than two progress payment requests within a calendar month.

8.12.11 Contract completion will be acknowledged when the final invoice for material or work performed on the project is received by the Accounting administrative assistant. This invoice will be signed as payable by the Project Coordinator prior to submitting a voucher for payment. At this point, the Project Coordinator will also confirm that all work has been completed; change orders and task orders executed; and invoices processed. The final payment process will follow procedures outlined in Sections - 4.6 & 4.7.
8.12.12 Once all of the above have been satisfied and the Project Coordinator and/or Department Supervisor verifies the satisfactory completion of the project, the Accounting administrative assistant will prepare an inter-office memorandum for signature by the Project Coordinator, Department Supervisor and Electrical/Water Superintendent, which will be sent to the General Manager, recommending Commission acceptance of the contract as complete at the next regularly scheduled public meeting.

8.12.13 Approvals & Signatures

☑ Project Coordinator
☑ Department Supervisor
☑ Electrical/Water Superintendent
☑ General Manager (Signature)
☑ Commission Approval

8.13 FORMAL FIELD CHANGE DIRECTIVE

8.13.1 A verbal field change directive may be used by a Project Coordinator to prevent a delay in a project when an immediate decision must be made concerning a change in the project scope of work that will cause a minor increase or decrease in the project cost.

8.13.2 A change order must be submitted for approval within (5) five business days of authorizing the field change directive.

8.13.3 Approvals & Signatures

☑ Project Coordinator
☑ Electrical Superintendent (Verbal Approval)

8.14 FORMAL CHANGE ORDERS

8.14.1 Change orders must be used when the total contract cost is either increased or decreased or when the terms of an existing contract are altered.

8.14.2 Change orders must be approved prior to material being purchased or work performed or unless a verbal field change directive is used.

8.14.3 Approvals & Signatures

a. Public work (over $25,000 to $60,000)

☑ Project Coordinator
☑ Department Supervisor
☑ Electrical/Water Superintendent

b. Change Orders (less than 10% for contracts over $60,000)

☑ Project Coordinator
☑ Department Supervisor
☑ Electrical/Water Superintendent
☑ General Manager (Signature)
c. Change Orders (greater than 10% for contracts over $60,000)
   ☑ Project Coordinator
   ☑ Department Supervisor
   ☑ Electrical/Water Superintendent
   ☑ General Manager (Signature)
   ☑ Commission Approval

8.15 FORMAL TASK ORDERS

8.15.1 A task order may be used to define the specific scope and cost of work to be performed on one phase of a project that was outlined within the general scope of the project contract. Task orders may not be used to allow a contractor to perform work outside of the original scope of a contract or to increase the Commission approved “not to exceed” contract dollar amount.

8.15.2 Task orders may only be used when a project for work or services exceeds $60,000.

8.15.3 The intent to use task orders must be stated in contract documents prior to soliciting bids from contractors.

8.15.4 Task orders defining different phases of a project do not require Commission approval when a contract has a “not to exceed” dollar amount.

8.15.5 A Change order is not necessary when a task order is used.

8.15.6 Approvals & Signatures

Task Orders (less than 10% for contracts over $60,000)
   ☑ Project Coordinator
   ☑ Department Supervisor
   ☑ Electrical/Water Superintendent
   ☑ General Manager (Signature)

Task Orders (greater than 10% for contracts over $60,000)
   ☑ Project Coordinator
   ☑ Department Supervisor
   ☑ Electrical/Water Superintendent
   ☑ General Manager (Signature)
   ☑ Commission Approval

Task Orders (contracts without a “Not to Exceed” amount)
   ☑ Project Coordinator
   ☑ Department Supervisor
   ☑ Electrical/Water Superintendent
   ☑ General Manager (Signature)
   ☑ Commission (Approval)
8.16 PREVAILING WAGE
[RCW 39.12.040]

8.16.1 The hourly wages to be paid to laborers and skilled craftsmen on all public work and small works process projects required by the District shall not be less than the prevailing rate of wage for an hour's work, as determined by the Washington State Department of Labor & Industries; in the same trade or occupation; in the locality within the state where such labor is performed.

8.16.2 All contracts between a public agency and a private employer to perform work at the cost of the District are public work contracts and require the payment of prevailing wage regardless of the project cost. Prevailing wage forms must be submitted for each and every job, regardless of size, scope, or cost to the State Department of Labor and Industries. The Accounting administrative assistant should be contacted prior to soliciting bids to determine if there is a prevailing wage category listed by the Department of Labor and Industries for any or all of the workers involved in the project.

8.16.3 Owner-operators must submit the appropriate "intent" and "affidavit" forms to the State of Washington Department of Labor & Industries when working on public work projects; whether or not they employ other workers.

8.16.4 A "combined intent/affidavit" prevailing wage form may be used when a public work project estimate is less than $2,500 (including sales tax). The contractor must fill out and submit the form to the Accounting administrative assistant prior to payment being made. A copy will be filed with the payment voucher and the original sent to the Washington State Department of Labor and Industries within (30) thirty days of the project completion.

8.16.5 A contractor must file a "Statement of Intent to Pay Prevailing Wage" form with the Washington State Department of Labor and Industries for each project when the estimated cost exceeds $2,500 (including sales tax); the form must be approved by the Department of Labor and Industries and affirmed on their website prior to any payment being made.

8.16.6 Following the District's acceptance of a completed public work project, the Accounting administrative assistant shall ensure that the contractor and every subcontractor has filed an "Affidavit of Wages Paid" with the State of Washington for projects over $2,500 to $35,000 (including sales tax).

8.16.7 For projects over $35,000 (including sales tax) the Accounting administrative assistant must file a "Notice of Public work Project Completion" form with the Department of Labor and Industries and Department of Revenue at the conclusion of each project.
8.17 RETAINAGE
[RCW 60.28.010; RCW 60.28.011]

8.17.1 All Public work contracts, with an estimated cost over $10,000, shall have (5%) five percent retained from each contractor payment submittal and held as a surety until the Contractor has met all conditions of the Washington State prevailing wage laws.

8.17.2 The District Auditor must approve the release of all retained funds.

8.18 CONTRACTOR PREQUALIFICATION (ELECTRIC SYSTEM PUBLIC WORK)
[RCW 54.04.080; RCW 54.04.085]

8.18.1 The District must pre-qualify those persons, firms, or corporations desiring to bid upon contract work for electrical facility construction, improvement, or related work prior to any bids being awarded.

8.18.2 Construction or improvement of an electrical facility is defined as the construction, moving, maintenance, modification, or enlargement of facilities primarily used or to be used for the transmission or distribution of electricity at voltages above (750) seven hundred fifty volts, including all supporting structures of conductor but not including site preparation, buildings, or protective fencing.

8.18.3 The electrical contractor must furnish qualified electrical workers to install conduit, vaults, junction boxes, cable, conductor, poles, transformers, and all other materials that are part of the electrical system.

8.18.4 Subcontractors may perform work pertaining to site preparation, trenching, digging vault pits, building fences, constructing buildings, etc. in conjunction with an electrical system project. Conduit, concrete vaults, etc. may be installed by a subcontractor with assistance from and under the direct supervision of a Journey Lineman employed by the prequalified contractor.

8.18.5 Public work contract bid documents for work on the District's electrical system must clearly specify what work the prequalified electrical contractor is required to perform and what work subcontractors are allowed to perform.

8.18.6 The Accounting administrative assistant shall annually advertise in a local newspaper of general circulation and specialty publications, as deemed appropriate, of the District's need to update its pre-qualified contractor list; as well as notify all current pre-qualified contractors of their need to submit either an application or an affidavit in order to remain on the District's pre-qualified contractor list.

8.18.7 After receipt of applications and required information, the Accounting administrative assistant will forward the packet(s) to the appropriate Department Supervisor(s) for review. The Supervisor(s) will check the individual packet(s) to determine if the contractor has ample equipment, qualified
personnel, and experience in performing similar work to perform the anticipated work for the District. If necessary, additional information may be requested in order to make a determination.

8.18.8 Once Staff has determined a contractor is qualified to perform work for the District, the pre-qualification packet or affidavit will be forwarded to the District Auditor for determination of financial condition. The District Auditor will then recommend a prequalification dollar amount based upon financial information provided by the contractor. The packet and affidavits will then be sent back to the Accounting administrative assistant for final processing.

8.18.9 Once a contractor has met the District’s requirements for prequalification as determined by staff, the Electrical Superintendent will recommend the name of the contractor, as set forth in a memorandum to the General Manager, requesting prequalification approval by the Commission. The General Manager or Electrical Superintendent will present the prequalification request to the Commission at the next scheduled public meeting.

8.18.10 Approvals & Signatures
   • Department Supervisors & Managers
   • District Auditor
   • Commission Approval

8.19 SMALL WORKS PROCESS
[RCW 39.04.155]

8.19.1 Once a year the Accounting administrative assistant shall advertise in a newspaper of general circulation soliciting contractors to be included on the District’s small works roster. Upon review and approval of the contractor’s documents by District staff, the Electrical Superintendent will petition the Commission to have each qualified contractor included on the small works roster for a period of up to three years. After Commission approval, a master contract will be mailed to each contractor for signature and, once signed, will be kept on file in the office of the Accounting administrative assistant for the three year period.

8.19.2 Small works projects do not have to be advertised by the Commission. The bid surety and performance bond requirements may be waived for projects up to $60,000 and retainage waived for projects up to $10,000.

8.19.3 Janitorial contractors may provide a "Janitorial Bond" in lieu of a performance bond for multi-year contracts. The limits of the bond shall be determined by the District based upon the annual value of the Janitorial contract.

8.19.4 When soliciting informal quotations from the small works project list, all contractors qualified to perform the work on the small works roster must be given an opportunity to submit a quote. The District does not maintain separate lists of Contractors by geographic location.
8.19.5 If no bids are received from contractors on the small works roster, informal quotations may be solicited from at least three or more contractors, if possible, lawfully engaged in the required work. Contracts will be awarded and administered following the requirements for public works projects as mandated by law.

8.19.6 Bidders shall be given adequate time to respond to the request; generally not more than (10) ten calendar days nor less than (2) two business days, depending on the scope and urgency of the project.

8.19.7 All payments for small works projects over $10,000 will be processed following the procedures outlined in Section - 4.7.

8.19.8 When using the small works process to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property, the District must make available a list all the contracts at least once a year. The list must contain the contract number, name of the contractor or vendor, dollar amount of the contract, a brief description of the work performed or material purchased under the contract, and the date the contract was awarded. The list must also state the location where the bid quotations for these contracts are available for public inspection (RCW 39.04.200).

8.20 SMALL WORKS PROJECTS (up to $25,000)

8.20.1 The District may award small works projects when the estimated cost of the project is $25,000 or less without soliciting informal quotes. However, soliciting three or more informal quotations from contractors within the same category on the small works roster is preferred.

8.20.2 A "Receipt for Services or Material" (Dig Slip) must be filled out and signed by the Employee and Department Supervisor for every project with an estimated value up to $25,000. The number on the dig slip shall be given to the contractor and recorded on all invoices pertaining to the project.

8.20.3 The dig slip must contain all of the following applicable information: the contractor name; work order number (if District labor or inventoried material is charged to the job); date filled out; department name; description of work; type of equipment or materials used (if applicable); estimated hours to complete the work (if known); employee’s full signature; and Department Supervisor’s full signature. The dig slip must be immediately sent to the Accounting administrative assistant after being filled out. No purchase order is necessary.

8.20.4 The Accounting administrative assistant will compare the time and materials listed on the dig slip with invoices submitted by the contractor. Any discrepancies will be brought to the attention of the Project Coordinator and/or Department Supervisor and must immediately be resolved before payment can be made.
8.20.5 If all prevailing wage statute requirements have been met, the Accounting administrative assistant will prepare a payment voucher and forward it to the Electrical/Water Superintendent for approval by signature.

8.20.6 Approvals & Signatures
- Project Coordinator
- Department Supervisor
- Electrical Superintendent (Voucher)

8.21 SMALL WORKS PROJECTS (over $25,000 to $60,000)

8.21.1 Informal quotations from all contractors within the appropriate small works roster category shall be solicited for each project over $25,000 to $60,000 and the project will be awarded to the lowest responsible bidder.

8.21.2 An informal contract or purchase order may be used for small works projects up to $60,000. A bid surety and performance bond is not required. If a purchase order is used, a copy must be sent to the Accounting administrative assistant.

8.21.3 The Accounting administrative assistant will send a copy of the purchase order to the contractor with any other pertinent information attached which shall serve as the notice to proceed with the work.

8.21.4 The Accounting administrative assistant will voucher all payment submittals and withhold (5%) five percent retainage from each invoice for contracts with a value over $10,000.

8.21.5 After project completion; the Accounting administrative assistant will ensure that all prevailing wage requirements have been met. A copy of the purchase order, with a payment voucher and invoice signed as received attached, will be sent to the Materials Department for receiving. After receiving; the documents will be signed by the Electrical Superintendent then sent to Accounts Payable for payment processing.

8.21.6 Approvals & Signatures
- Project Coordinator
- Department Supervisor
- Purchasing Agent

8.22 SMALL WORKS PROJECTS (over $60,000 to $300,000)

8.22.1 Informal written quotations must be solicited when a Public Work Project's estimated cost is over $60,000 up to $300,000. All contractors within the appropriate category on the Roster must be given an opportunity to bid.

8.22.2 After the draft informal bid documents have been prepared, they will be routed to the Department Supervisor, Project Coordinator, and Electrical Superintendent for review and approval. The signatures of the Project Coordinator and
Department Supervisor are required on the draft documents before forwarding to the Electrical/Water Superintendent for review.

8.22.3 Upon draft document approval, the Accounting administrative assistant will prepare an inter-office memorandum to the General Manager; signed by the Project Coordinator, Department Supervisor, and Electrical/Water Superintendent recommending the solicitation of informal written or electronic quotations from all contractors on the appropriate small works roster list qualified to perform the necessary work.

8.22.4 A bid surety and performance bond will be required for each project except Janitorial contracts.

8.22.5 Informal quotations shall be returned to the office of the Accounting administrative assistant and held until the due date; then forwarded to the Department Supervisor, Project Coordinator, and Electrical Superintendent immediately after the due date.

8.22.6 After a contractor has been selected, an inter-office memorandum signed by the Project Coordinator, Department Supervisor, and Electrical Superintendent will be sent to the Executive Assistant to the General Manager recommending the Commission, by motion, direct the General Manager to sign the contract.

8.22.7 Immediately after the award is made, the bids shall be recorded, held in the office of the Accounting administrative assistant, and open to public inspection.

8.22.8 Upon award of the contract; the procedures, as outlined in Section - 8.2 through 8.17 (Formal Contracts Advertised by the Commission), shall be followed.

8.22.9 Payments shall be processed following procedures outlined in Section - 4.7.

8.22.10 Approvals & Signatures
- Department Supervisor
- Electrical Superintendent
- General Manager (Contract Signature)
- Commission Approval

8.23 TRENCH SHARING AGREEMENTS

8.23.1 Some underground cable installations or replacements offer the cost saving opportunity to share the cost of trenching with other utilities within the right-of-way. A trench sharing agreement must be signed prior to the start of the project.

8.23.2 The agreement should include the following as a minimum:
- Total length and dimensions of shared trench
- A map and legal descriptions of the easement
- Size and depth of conduit being installed
- Location of any surface facilities being installed within the easement
- Type of wire or cable to be installed in each conduit
- Distance of separation between each utilities' facilities
Name of the utility providing the trench
Percentage of cost shared by each utility for providing the trench
Backfill and compaction requirements
liabilities of each utility
Drawings of the trench and any pertinent facilities in the right-of-way

8.23.3 Approvals & Signatures

Project Coordinator
Department Supervisor
Electrical/Water Superintendent

8.24 WASHINGTON STATE CONTRACTS

8.24.1 Annually, the District may enter into an inter-local agreement with the Washington State Department of Procurement; enabling the District to procure materials, supplies, equipment, and vehicles using State contract pricing.

8.24.2 The Purchasing Agent will review pertinent Washington State purchasing contracts made available to political subdivisions, and compare the pricing with other vendors to determine which contracts are advantageous to the District.

8.24.3 The District is not obligated to utilize Washington State contracts.

8.24.4 When utilizing Washington State contracts the competitive bidding process used by the State of Washington procurement departments will satisfy Districts obligation to comply with the mandatory competitive bidding statutes.

8.24.5 Approvals & Signatures

Materials Specialist
Purchasing Agent
Electrical Superintendent (if over $60,000)

8.25 ITEMS PURCHASED AT PUBLIC AUCTION

[RCW 39.30.045]

8.25.1 The District may purchase materials, supplies, vehicles, equipment, or tools at auctions conducted by any agency of the United States Government, State of Washington, or any private party without being subject to public bidding requirements, if the items can be obtained at a competitive price.

8.25.2 The Commission shall either pre-authorize the purchase or pass a resolution approving the purchase at the next regular Commission meeting.

8.25.3 Prior to attending the auction, a Department Supervisor, Materials Superintendent, Electrical Superintendent, General Manager, Commission, or others must establish a fair market value of the item(s) to be purchased at the auction based upon retail value, condition, cost to transport the item(s) to the District, or any other factors that may have a bearing on the value of the item(s).
8.25.4 Prior to purchasing an item(s) at a public auction the District must determine the method of payment:

- Establish an account with the agency conducting the auction
- Secure the purchase with a District purchase order, if allowed
- The Purchasing Agent, as the District Representative bidding on the item(s), shall use his District credit card as payment for the purchase, up to the limit of the card

8.25.5 A purchase order must be generated immediately after the purchase of any item at a public auction and the appropriate signatures obtained.

8.25.6 Approvals & Signatures

- Department Supervisor
- Purchasing Agent
- Electrical Superintendent and/or General Manager
- Commission Approval

8.26 EMERGENCY PURCHASES OR PUBLIC WORK
[RCW 54.04.070; 39.04.280]

8.26.1 In the event of an emergency, when the public interest or property of the District would suffer material injury or damage by delay, Electrical Superintendent or General Manager may authorize the purchase of materials and/or order work be performed by others to assist regularly employed personnel; in any amount necessary; without contract; and after taking precautions to secure the lowest price available under the circumstances.

8.26.2 Faxed or electronic quotes should be obtained from at least three suppliers or contractors, when possible, from the District’s list of vendors or contractors qualified to supply necessary materials or perform the work, prior to the work being performed. A copy of these quotes must be given to the Accounting administrative assistant for future payment processing and documentation of these services. Selection may be based upon bid price or on the ability to respond to the District’s needs in the least amount of time.

8.26.3 A purchase order or contract must be signed by the Electrical Superintendent or General Manager prior to or immediately after material being ordered or contractors commencing work.

8.26.4 The purchase order must contain, as a minimum, the following applicable information: Vendor/Contractor name; total quantity; price; delivery dates of material; hourly rates for labor and equipment; brief scope of the work; beginning and ending dates contractor is needed; and an “estimated not to exceed” dollar amount. A copy of the approved purchase order must be sent to the Accounting administrative assistant.
8.26.5 The Commission shall declare, by resolution, a state of emergency at the next scheduled public meeting approving the purchase of material and/or work.

8.26.6 Approvals & Signatures

- Department Supervisor
- Electrical Superintendent
- General Manager
- Commission Approval

8.27 SOLE SOURCE SUPPLIER

[RCW 39.04.280]

8.27.1 When the supplier of a material item can be legitimately and clearly identified as the sole source of supply for the item, the Commission may be petitioned by staff to declare the supplier as a "sole source supplier" by resolution.

8.27.2 Justification for a sole source supplier may also include:

- Cost of maintaining an adequate supply of spare parts for multiple brands
- Superior quality and reliability of one manufacturer over others
- Quality of support offered by one manufacturer over others
- Operational efficiencies gained by limiting the purchase of an item to one manufacturer

8.27.3 Documentation and justification must be presented to the Commission prior to passing the resolution. The item(s) must be identified by manufacturer, model number or type, and catalog number (if applicable) followed by a brief description clearly identifying the item.

8.27.4 If the supplier produces other products, the sole source resolution shall only pertain to the named items and not the supplier's full line of products.

8.27.5 After a supplier has been declared sole source, staff must continue to actively search for additional suppliers offering similar products of comparable quality and functionality so as to comply with state mandated competitive purchasing practices.

8.28 INTER-LOCAL AGREEMENTS

[RCW 39.34]

8.28.1 The District may, with Commission approval, enter into an Inter-local agreement with one or more public agencies to perform any governmental service, activity, or undertaking that each public agency entering into the agreement is authorized by law to perform.

8.28.2 When multiple agencies participate in an Inter-local agreement, one of the participating agencies must be designated as the lead agency.
8.28.3 An Inter-local agreement does not relieve the District from the statute-mandated competitive bidding requirements when purchasing materials, equipment, or supplies. The District may use the contract pricing under the Inter-local agreement as one of the bids, but must also obtain enough bids to ensure compliance with state competitive bidding laws.

8.28.4 Agencies participating in an Inter-local agreement are bound by all restrictions and requirements imposed upon each agency by Washington State statutes and other governmental regulations.

8.28.5 When entering into an Inter-local agreement with other government agencies, the stricter statutory requirements of the participating agencies will apply.

8.28.6 Approvals & Signatures
   - Project Coordinator
   - Department Supervisor
   - Electrical Superintendent
   - General Manager (Agreement Signature)
   - Commission Approval
SECTION – 9
PROFESSIONAL SERVICES

9.1 PROFESSIONAL SERVICES - GENERAL

9.1.1 The District may require professional services not covered within the scope of public work statutes. When such need arises, the Electrical/Water Superintendent and/or General Manager shall provide oversight during the selection process. The selection procedures for Engineering and Architectural services are not the same as miscellaneous professional services.

9.1.2 It shall be the responsibility of the department requiring a miscellaneous professional service to prepare requests for qualifications or proposals containing information outlining the project or service needed; qualifications required of the service provider; scope of service; length of the agreement; selection criteria; and any other information necessary for a provider to determine their ability to perform the service.

9.1.3 The draft documents shall be sent to the Electrical/Water Superintendent for review and, if approved, sent to the Accounting administrative assistant or the Department Supervisor requiring the service, for processing.

9.1.4 Miscellaneous professional service selection may be on the basis of any of the following: cost; qualifications; ability to provide the service within a specified time frame; experience; knowledge of unique utility industry standards or practices; past performance; or knowledge and experience in dealing with past, current, or future District business needs.

9.1.5 Engineering and architectural service selection requires reviewing statements of qualifications from firms lawfully engaged in the providing the service needed by the District. Following selection of a firm, cost of service will be negotiated.

9.1.6 All service agreements must have a “not to exceed” amount stated for a specified time frame; i.e. duration of the agreement; or yearly, quarterly, monthly, weekly, daily, etc; except, if over $80,000, task orders may be used to define the scope and cost of various phases of the service with or without a not to exceed amount for the duration of the contract.

9.1.7 Copies of professional services agreements or contract documents over $60,000 must be given to the Accounting administrative assistant in order for vouchers to be generated.

9.1.8 A bid surety; performance bond; and retainage are not required for professional services.

9.1.9 The District may use the provider’s service agreement or contract. The Electrical/Water Superintendent shall determine if it is in the best interest of the District to use the provider’s agreement or contract. The District’s legal counsel may need to review the documents prior to being signed by District Representative(s)

Adopted by PUD BOC 6 January 2015
9.1.10 Legal counsel, when needed, should be given one to two weeks to review contract documents depending upon their complexity.

9.1.11 Professional service agreements must be finalized and signed prior to the service being rendered, except when a limited notice to proceed is authorized.

9.1.12 Limited notices to proceed may be used when negotiating an agreement for miscellaneous professional services, engineering and architectural services, and data processing and telecommunications services.

9.1.13 All documents pertaining to a professional service must be routed through the Records Department in order to ensure they are properly recorded and filed. This includes, but is not limited to:
- Requests for statements of qualifications or proposals
- Statements of qualifications or proposals received
- Letters
- E-mails
- Other correspondence
- Copy of contract or agreement
- Copy of business license information
- Vouchers for payments
- Project completion documentation

9.1.14 Payments for professional services must follow procedures outlined in Section 4.8.

9.1.15 Excluded from these requirements are agreements pertaining to: computer software support and equipment maintenance; tool and equipment maintenance and support; legal counsel; Human Resources advisory services; financial and rates analysts or consultants; consultants that have successfully provided a service for other Public Utility Districts or Utilities who specializes in a specific need of the utility industry; or a service provider with a history of successfully providing a service for the District.

9.2 MISCELLANEOUS PROFESSIONAL SERVICES (up to $60,000)

9.2.1 While the District may award miscellaneous professional services agreements without soliciting informal quotations when the estimated cost of service is $10,000 or less; three or more informal quotations are preferred.

9.2.2 Three or more informal statement of qualifications or quotations must be obtained, if possible, from service providers capable of performing the service when the estimated agreement cost is between $10,000 and $60,000.

9.2.3 A purchase order must be used for professional services with a value over $10,000 up to $60,000 for the period of time the service is required, if a contract or agreement is not used.
9.2.4 Adequate time to respond to the request should be given to qualified service providers; generally not more than (10) ten calendar days or less than (2) two business days, depending upon the scope of the project.

9.2.5 The statement of qualifications or proposal will be reviewed by the department requiring the service. The documents and recommendation will be forwarded to the Electrical Superintendent.

9.2.6 Upon approval, a purchase order will be generated by the Department Supervisor or two copies of an informal agreement will be sent to the provider for signature and returned to the District. A copy of the purchase order or one copy of the signed informal agreement will be sent to the provider and will serve as their notice to proceed.

9.2.7 The Department Supervisor will administer the agreement to completion. Invoices will be signed as approved by the Department Supervisor and Electrical Superintendent prior to payments being made.

9.2.8 Change orders may be used if the scope of the agreement must be altered causing an increase or decrease in the agreement value.

9.2.9 If an informal agreement is used, the General Manager will be notified when the project is completed.

9.3 MISCELLANEOUS PROFESSIONAL SERVICES (over $60,000 to $300,000)

9.3.1 Upon document approval, an inter-office memorandum, signed by the Department Supervisor and Electrical/Water Superintendent will be sent to the General Manager recommending the solicitation of requests for qualifications or proposals from providers capable of providing the needed service.

9.3.2 Service providers shall be given adequate time to respond to the request; generally not more than (15) fifteen calendar days or less than (5) five business days, depending upon the scope of service.

9.3.3 Statements of qualifications or proposals shall be returned to the office of the Accounting administrative assistant or Department requiring the service. After departmental review, the documents will be routed to the Electrical Superintendent.

9.3.4 After a service provider has been selected, an inter-office memorandum signed by the Department Supervisor and Electrical Superintendent will be sent to the General Manager recommending the Commission, by motion, direct the General Manager to enter into an agreement with the provider.

9.3.5 The Commission, at their discretion may reject the recommendation and direct staff to solicit additional statements of qualifications or proposals. Immediately after Commission approval, the successful provider and those not selected will be notified by letter.
9.3.6 Upon approval, the District will either negotiate an agreement and fair compensation with the successful provider; or sign an agreement with the provider submitting the most advantageous proposal to the District, if the terms of the agreement and compensation have already been agreed upon.

9.3.7 Two copies of the agreement will be sent to the provider for signature and returned to the District. A copy of the agreement signed by both the provider and the District will be sent to the provider and will serve as their notice to proceed. A copy of the agreement must be forwarded to the Accounting administrative assistant in order to set up a file for vouchersing payments. The department administering the contract and a not to exceed amount must be provided to the Accounting administrative assistant.

9.3.8 The department requiring the service will administer the agreement to completion. Payments will be processed and vouchedered by the Accounting administrative assistant. Vouchers must be signed by the Department Supervisor and Electrical Superintendent prior to payment.

9.3.9 Change orders may be used if the scope to the agreement must be altered and the agreement value is either increased or decreased.

9.3.10 Upon project completion, the Accounting administrative assistant will prepare an inter-office memorandum to the General Manager recommending the Commission accept the agreement as complete.

9.4 MISCELLANEOUS PROFESSIONAL SERVICES (over $300,000)

9.4.1 The Department Supervisor or Project Coordinator will submit a written outline of the scope of the project to the Electrical/Water Superintendent and/or General Manager including an estimated cost of the project.

9.4.2 The Department Supervisor and/or Project Coordinator will develop the request for qualifications or proposal draft document. The documents must identify the scope of the project; significant evaluation factors; and their relative importance. An estimated cost of the service must be provided to the Electrical/Water Superintendent of General Manager.

9.4.3 The Department Supervisor and/or Project Coordinator will develop reasonable procedures for the technical evaluation of the qualified sources and selection methods for awarding the contract.

9.4.4 The final, completed project documents will be forwarded to the Electrical Superintendent and/or General Manager or others as deemed appropriate for review.

9.4.5 After review, the Department Supervisor and Electrical/Water Superintendent will recommend to the General Manager that the Commission be petitioned for permission to publish the “Notice of Request for Qualifications or Proposals” in a
local newspaper of general circulation and other appropriate journals at least (13) thirteen calendar days from the date advertised to the date proposals are due.

9.4.6 The documents shall be sent to an adequate number of qualified sources as determined by the District, in its discretion, to permit reasonable competition consistent with the requirements of procurement.

9.4.7 The Project Coordinator, Department Supervisor, Electrical Superintendent and/or others as necessary will review all proposals and make a selection of the qualified firm whose proposal is most advantageous to the District with price and other factors considered.

9.4.8 Staff will either negotiate with the firm most qualified to provide the service in an attempt to reach an agreement and fair compensation or select the firm with the proposal that would provide the most benefit to the District.

9.4.9 The Commission will be petitioned to authorize the General Manager to enter into an agreement with the provider offering the service best suited to the needs of the District.

9.4.10 The Commission may, at its discretion, reject the recommendation of staff and request the service be advertised a second time. Once a provider is chosen, the Accounting administrative assistant or Department Supervisor will issue a notice of award of the project to the successful firm and will notify any other firms who submitted statements of qualifications or proposals of the award.

9.4.11 The Accounting administrative assistant or Department Supervisor will prepare final agreement documents for signature and District implementation.

9.4.12 The Accounting administrative assistant will voucher all payments all vouchers must be signed by Department Supervisor and Electrical Superintendent prior to payment being made.

9.4.13 After project completion, the Accounting administrative assistant will prepare an inter-office memorandum to the General Manager recommending the Commission be petitioned to accept the agreement as complete.

9.4.14 Approvals & Signatures

a. Professional Services up to $60,000
   ☒ Project Coordinator
   ☒ Department Supervisor
   ☒ Electrical/Water Superintendent

b. Professional Services over $60,000
   ☒ Project Coordinator
   ☒ Department Supervisor
   ☒ Electrical/Water Superintendent
   ☒ General Manager (Signature)
   ☒ Commission Approval

Adopted by PUD BOC 6 January 2015
9.5 ENGINEERING & ARCHITECTURAL SERVICES (up to $60,000) [RCW 39.80]

9.5.1 Advance publication requesting statements of qualifications shall be made annually, encouraging firms lawfully engaging in the practice of their profession to submit statements of their qualifications and performance.

9.5.2 Contracts entered into by the District for engineering and architectural services, and modifications thereto, shall be reported to the office of financial management on a quarterly basis, in such form as the office of financial management prescribes (RCW 39.80.070).

9.5.3 Engineering and architectural services for projects up to $10,000 may be awarded to the firm with the best qualifications selected from the prequalified list for the current year. A purchase order will be issued for the project.

9.5.4 Engineering and architectural service agreements may be awarded for various ongoing miscellaneous services with a combined estimated value up to $60,000 for a period of one year. The firm must be selected from a list of firms who submitted statements of qualifications.

9.5.5 The firm best able to provide the service needed by the District will be selected based upon; past performance, experience, and the ability to perform the work within the time frame required by the District.

9.5.6 Once the firm has been selected; a cost of service will be negotiated and if acceptable to the District, a purchase order or agreement will be issued.

9.5.7 The District may decide not to enter into an agreement with the firm if the amount of the price is not acceptable to the District; in which case the next firm will be contacted and so forth until a firm has been selected.

9.5.8 Once a firm has been selected, a purchase order or agreement will be signed and a copy sent to the Accounting administrative assistant.

9.5.9 Approvals & Signatures

- Project Coordinator
- Department Supervisor
- Electrical/ Water Superintendent

9.6 ENGINEERING & ARCHITECTURAL SERVICES (over $60,000 to $300,000) [RCW 39.80]

9.6.1 The General Manager will be notified of the need for engineering or
architectural services when the estimated value of the service for a project is greater than $60,000 but less than $300,000. The Department Supervisor and Electrical Superintendent will request permission from the General Manager to solicit statements of qualifications from professional firms lawfully engaged in the practice of the required service.

9.6.2 The District shall request statements of qualifications from providers capable of providing the service. Providers will be given no more than (15) fifteen days to return statements of qualifications to the Accounting administrative assistant.

9.6.3 All statements of qualifications submitted as well as those on file for the current calendar year will be reviewed by the Department Supervisor, Project Coordinator, Electrical Superintendent, and others as appropriate.

9.6.4 Firms will be selected based upon their qualifications and apparent ability to perform the service. The top three or four firms will be contacted and interviews scheduled to discuss the scope of the project; possible variations; concepts; methods of approach, etc.

9.6.5 The Department Supervisor and/or Project Coordinator will develop the ranking criteria that will be used to select the professional firm.

9.6.6 Fees may not be discussed during the interview process. Only after a firm has been selected for a project can negotiations for an appropriate fee begin.

9.6.7 At the conclusion of the interviews, the Department Supervisor, Project Coordinator, Electrical Superintendent, General Manager, and/or others will select the top firm based upon the ranking criteria.

9.6.8 The firm deemed the most highly qualified for the project will be contacted and an interview scheduled.

9.6.9 The Department Supervisor, Electrical Superintendent and/or General Manager shall negotiate with the most qualified firm for services at a cost that the District determines to be fair and reasonable and/or within budget constraints.

9.6.10 If the District is unable to successfully negotiate an agreement with the most qualified firm, negotiations will be formally terminated with that firm and the next firm in the ranking shall be contacted, and negotiations shall be conducted in an attempt to secure an agreement that is acceptable to the District. The process will continue until a firm has been selected.

9.6.11 After an agreement has been successfully negotiated; the General Manager, Electrical Superintendent, or Department Supervisor will recommend the selection to the Commission for approval. The Commission may, at their discretion; approve the selection and direct the General Manager to sign the
agreement; or they may reject the recommendation and direct staff to solicit additional statements of qualifications.

9.6.12 Upon signing the agreement, the applicable procedures for: addenda; limited notice to proceed; task orders; change orders; and vouchering as outlined in Section - 8 shall apply.

9.6.13 Upon completion of the project the Department Supervisor and Electrical Superintendent shall notify the General Manager by inter-office memorandum of the completion and recommend that the Commission accept the contract as complete.

9.6.14 Approvals & Signatures
   ☒ Project Coordinator
   ☒ Department Supervisor
   ☒ Electrical Superintendent
   ☒ General Manager (Signature)
   ☒ Commission Approval

9.7 ENGINEERING & ARCHITECTURAL SERVICES (over $300,000) [RCW 39.80]

9.7.1 The procedures for selecting firms to provide Engineering and Architectural services with an estimated cost over $300,000 shall be as outlined in the previous Section 9.6, except for the following:

   ☒ The Commission shall be petitioned for permission to advertise for statements of qualifications for the service required in a newspaper of general circulation and any established trade association, as appropriate, for a period of not less than (13) thirteen calendar days prior to the date the statement of qualifications are due.

9.7.2 Approvals & Signatures
   ☒ Project Coordinator
   ☒ Department Supervisor
   ☒ Electrical Superintendent
   ☒ General Manager (Signature)
   ☒ Commission Approval

9.8 NEGOTIATION-BASED PROCUREMENT FOR ELECTRONIC DATA PROCESSING AND TELECOMMUNICATIONS SYSTEMS [RCW 39.04.270]

9.8.1 The Department Supervisor or IT Manager will submit a written outline of the scope of the project to the Electrical Superintendent and/or General Manager, including an estimated cost of the project.

9.8.2 The Department Supervisor and/or IT Manager will develop the request for proposal (RFP) draft document. The document is to identify significant evaluation factors; their relative importance; and estimated cost.
9.8.3 The Department Supervisor and/or IT Manager will develop reasonable procedures for the technical evaluation of the qualified sources; selection methods and criteria for awarding the contract.

9.8.4 The pre-qualification performed by the Washington State Department of Information Services or another public entity will suffice for District qualification.

9.8.5 The final, completed project documents will be forwarded to the Electrical Superintendent and/or General Manager or others as deemed appropriate.

9.8.6 After review, the Department Supervisor and Electrical Superintendent will recommend to the General Manager that the Commission be petitioned for permission to publish the “Notice of Request for Proposals” in a local newspaper of general circulation and other appropriate journals at least (13) thirteen calendar days from the date advertised to the date proposals are due.

9.8.7 The RFP shall be sent to an adequate number of qualified sources as determined by the District, in its discretion, to permit reasonable competition consistent with the requirements of procurement.

9.8.8 The Electrical Superintendent, Department Supervisor, Project Coordinator, and/or others as necessary will review all proposals and make a selection of the qualified firm whose proposal is most advantageous to the District with price and other factors considered. A price will be negotiated that is considered acceptable to the District and within budget constraints.

9.8.9 The Commission will be petitioned to authorize the General Manager to sign a contract with the successful firm offering the system best suited for the needs of the District.

9.8.10 The Commission may reject all proposals and request new proposals, at its discretion. Upon Commission approval, the Accounting administrative assistant or IT Manager will issue a notice of award to the selected firm and will notify the other firms who were not selected.

9.8.11 The Department Supervisor or IT Manager will administer the contract following applicable procedures as outlined in Section - 8.

9.8.12 Upon completion of the project the Department Supervisor and Electrical Superintendent shall notify the General Manager by inter-office memorandum of the completion and recommend that the Commission accept the contract as complete.

9.8.13 Approvals & Signatures
   ➢ Project Coordinator
   ➢ Department Supervisor
   ➢ Electrical/Water Superintendent
   ➢ General Manager (Signature)
   ➢ Commission Approval
9.9 LIMITED NOTICE TO PROCEED

9.9.1 Limited notices to proceed may be used when preliminary work on a project must begin prior to finalizing a contract in order to meet scheduling deadlines. The scope and cost of work to be completed under the limited notice to proceed must be clearly defined and approved by the Electrical Superintendent and contractor prior to any service performed.

9.9.2 A limited notice to proceed may be issued for a maximum of (30) thirty days and cannot exceed the cost estimate approved by the Electrical Superintendent.

9.9.3 The cost of a limited notice to proceed must be included in the total contract cost and will be considered as one phase of the project.

9.9.4 Approvals & Signatures

- Project Coordinator
- Department Supervisor
- Electrical Superintendent

9.10 CHANGE ORDERS

9.10.1 Change orders must be used when the total contract or agreement cost is either increased or decreased or when the terms of a contract are altered.

9.10.2 Change orders must be approved prior to the service being performed. 9.10.3 Approvals & Signatures

a. Change Orders (for contracts up to $60,000)

- Project Coordinator
- Department Supervisor
- Electrical/Water Superintendent

b. Change Orders (less than 10% for contracts over $60,000)

- Project Coordinator
- Department Supervisor
- Electrical/Water Superintendent

c. Change Orders (greater than 10% for contracts over $60,000)

- Project Coordinator
- Department Supervisor
- Electrical/Water Superintendent
- General Manager (Signature)
- Commission Approval

9.11 TASK ORDERS

9.11.1 A task order may be used to define the specific scope and cost of service to be performed on one phase of a project that was outlined within the
general scope of the project contract. Task orders may not be used to allow a firm to perform work outside of the original scope of a contract or to increase the Commission approved “not to exceed” contract dollar amount.

9.11.2 Task orders may only be used when a project contract is let using the formal Commission approval process.

9.11.3 The intent to use task orders must be stated in contract documents prior to soliciting bids from contractors.

9.11.4 Task orders defining different phases of a project do not require Commission approval when a contract has a “not to exceed” dollar amount.

9.11.5 A Change order is not necessary when a task order is used.

9.11.6 Approvals & Signatures

a. Task Orders Less than 10% for Contracts Over $60,000
   - Project Coordinator
   - Department Supervisor
   - Electrical Superintendent

b. Task Orders for Contracts Over $60,000 (not to exceed amount is not specified)
   - Project Coordinator
   - Department Supervisor
   - Electrical Superintendent
   - General Manager (Signature)
   - Commission Approval

c. Task Orders Greater than 10% for Contracts Over $60,000
   - Project Coordinator
   - Department Supervisor
   - Electrical Superintendent
   - General Manager (Signature)
   - Commission Approval
SECTION – 10
SURPLUS PROPERTY

10.1 GENERAL

10.1.1 District property must be properly purchased, utilized, maintained, and when no longer useful, disposed of. Property that is no longer useful, fit for service, or is available in excess quantities may be deemed "surplus." The District’s General Manager will ensure that when surplus property is so declared, the procedures established for accountability, control, and disposal are followed. "Property" includes real property, materials, supplies, equipment, vehicles, and any other items owned by the District. Certain property may be declared to have no value and be disposed of on a regular basis in compliance with established procedures. No one shall remove or dispose of any District property without following the procedures described below.

10.1.2 All procedures for disposal of surplus property will be in accordance with state law [WAC 236-48-190; RCW 39.33.020; RCW 43.19].

10.1.3 The District is committed to the recycling or reuse of all materials, supplies, equipment, etc. that can be accomplished through reasonable methods.

10.2 RESPONSIBILITIES

10.2.1 District property and related information will be reviewed as necessary as well as annually to determine the type and amount of surplus property.

10.2.2 Each Department Supervisor shall be responsible for filling out and signing surplus property forms when surplus items are identified throughout the year. Each form must include the following: quantity; description; condition; serial number; District asset number (if applicable); and any other pertinent information. The form will be submitted to the Purchasing Agent for review and processing. The timing and method of disposal shall be determined on a case-by-case basis.

10.2.3 The Purchasing Agent will be responsible to initiate the annual polling of District departments for surplus items; compiling a list; and circulating it among all departments who may be able to utilize some of the items. Items not of use by the District will be placed on a single surplus list.

10.2.4 The final surplus list will be forwarded to the General Manager for review. At a regularly scheduled public meeting the Purchasing Agent will present the list attached to a resolution recommending the Commission approve the disposal of the items.

10.2.5 Disposal may be by sale, auction, recycling, donation, exchange, transfer, or landfill. The Purchasing Agent will coordinate the disposal.

10.2.6 All asset tags and District identification must be removed prior to disposal.
10.2.7 Once an item has been declared surplus by the Commission, it must be taken out of service until disposed.

10.2.8 Approvals & Signatures
- Department Supervisor
- Purchasing Agent
- General Manager
- Commission Approval

10.3 VEHICLES & EQUIPMENT

10.3.1 Vehicles and equipment may be disposed for any one of the following reasons:
- Cost of maintenance and has become excessive
- Major repair would be cost prohibitive
- The vehicle or equipment is no longer of use to the District

10.3.2 Surplus cars, equipment, and trucks (except aerial manlifts, digger-derricks, and knuckle boom or crane trucks) that can be used by the public shall be placed on a surplus list and, after Commission approval, disposed of by sealed bid or public auction.

10.3.3 Aerial manlifts, digger derricks, knuckle booms, and crane trucks must be either dismantled & sold for scrap or used as a trade-in when purchasing new trucks of similar use. The Commission must declare a truck surplus by resolution prior to its being dismantled or removed from District property.

10.3.4 Approvals & Signatures
- Department Supervisor
- Purchasing Agent
- General Manager
- Commission Approval

10.4 NO-VALUE PROPERTY

10.4.1 Certain property may be determined to have no value to the District in terms of sale, auction, exchange, or transfer. Typical property in this category includes but is not limited to:
- Recyclable paper, cardboard, scrap metals, plastic products, computers and equipment; etc.
- Broken material items, equipment, or tools that cannot be repaired
- Wood pole pieces, crossarms, pallets, etc.
- Damaged or non-reusable items

10.4.2 The Purchasing Agent will regularly review and direct disposal of no-value property. The General Manager has final authority for disposal practices.

10.4.3 In order to avoid landfill or handling cost, the Purchasing Agent may make arrangements with the public, employees, or others to remove no-value items from District property.

Adopted by PUD BOC 6 January 2015
10.4.4 All disposal practices will ensure compliance with environmental regulations, State laws and local ordinances, and District policies.

10.4.5 Recyclable items will be sold if cost-effective.

10.4.6 Surplus items may not be given to a private business in order for them to sell the item(s) for profit.

10.4.7 Surplus items may be donated to non-profit organizations when used as a source of funding or when the public will benefit directly from the donation.

10.4.8 Approvals & Signatures
   ☑️ Department Supervisor
   ☑️ Purchasing Agent

10.5 WOOD PRODUCTS

10.5.1 Wood pole pieces that are non-reusable, accumulate gradually, and are in insufficient quantity to warrant sale to the public may be disposed of in any of the following manners:

   ☑️ When part of a removal work order project, left on customer’s property at the request of the property owner. The Purchasing Agent must be notified when such arrangements are made by a District Representative.

   ☑️ Picked up by customers who pre-arrange the pick up with the Purchasing Agent. The customer may be required to pay District costs if specific extra work must be performed to make the items available for pick up.

   ☑️ Pick up by employees who have made prior arrangements with the Purchasing Agent.

10.5.2 Wooden wire reels may be picked up by the public or employees after confirmation of arrangements with the Purchasing Agent.

10.5.3 Approvals & Signatures
   ☑️ Purchasing Agent

10.6 SCRAP METAL AND RECYCLABLE MATERIALS

10.6.1 Scrap metal and recyclable materials will be accumulated at the District’s Central Warehousing Facility by the Materials Department.

10.6.2 Scrap metal and recyclable materials shall be accumulated in metal bins. Each bin must be weighed by the Storeskeepers on District scales prior to being picked up by the scrap metal dealer. The tare weight and contents of each bin must be recorded on a receipt ticket. The receipt ticket for each bin must contain the following: date picked up; contents; tare weight; employee signature; and signed by the scrap dealer.
10.6.3 The receipt ticket will then be given to the Purchasing Agent and compared with the weights of materials given to the Accounting Department by the scrap dealer when paid for.

10.6.4 Approvals & Signatures
   ➢ Purchasing Agent

10.7. RECORDS

10.7.1 All surplus property of value must be recorded on a “Surplus Property Disposal Record” by the Purchasing Agent and forwarded to the Accounting Department for property records adjustments.
ATTACHMENT “A”

SECTION – 3.1.6 (Page 10)

A-1 Exceptions to Purchasing Agent or Electrical/Water Superintendent Required Signatures

Advertising  Conservation Incentives
Courier Services  Customer Construction
Refunds  Drug & Alcohol Screening
Document Storage  Medical Exams
Dues  Petty Cash Payments
Oil Sample Testing  Post Office Box Rent
Postage  Rent & Lease Payments
Purchased Power & Water  Telephone Bills
Subscriptions  Water Testing
Travel & Training

Recurring Monthly Bills

Answering Service  Broadband Facilities
Monitoring  Facilities Grounds
Conservation Rebates  Security Monitoring
Maintenance
Janitorial Services

Also expenses approved prior to payment by the General Manager, District Auditor, District Auditor, and Board of Commissioners.

---

A-2 Exceptions to Approval Signatures Required Prior to Processing Payment

Recurring Monthly Bills

Garbage & Landfill  FED-X
Utilities  UPS
ATTACHMENT “B”

SECTION – 7.1.6 (Page 30)

(Exceptions to Purchase Order Requirements)

Purchases Pertaining To:

Advertising
Contracts & Agreements
Customer Construction Refunds
Drug & Alcohol Screening
Equipment Maintenance & Support
Garbage & Landfill
Paper Shredding Services
Postage
Subscriptions
Travel & Training
Water Testing

Conservation Incentives
Courier Services
Document Storage
Dues
FED-X
Medical Exams
PCB Oil Samples
Purchased Power & Water
Telephone Bills
Utilities
ATTACHMENT “C”

SECTION – 7.3.8 (Page 32)

UNITS OF MEASURE

(Units Of Measure Recognized By JD Edwards Software)

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PUD NO. 1 OF CLALLAM COUNTY
RECEIPT FOR SERVICE OR MATERIAL

Received from: APS ELECTRIC  
Received by: KEN HAMM  Date: 12-18
Work Order # 9359
Location: CARLSBURG OPERATIONS CENTER

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<tr>
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<td>Hole Hog or Directional Bore (hours or feet, specify)</td>
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Misc. Describe: 
DOOR NOT WORKING OR POWER WAS DISCONNECTED BY CONTRACTORS (NEEDS STAMP) AND WHEN RECONNECTED- DOOR NO LONGER WORKS

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Misc. Describe:

Approved: Charlie McCleary 12-18-14

7/5/00 RH/Olg Slp
FORM 01-04