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Definition: What is a Public Works Project?

The term “public work” shall include all work, construction, renovation, remodeling, alteration, repair or improvement **other than ordinary maintenance**, on any building or property. See Revised Code of Washington (RCW) 39.04.010 for a full definition of public work.

Section 1: Public Works Projects

Definition of Ordinary Maintenance – Washington Administrative Code (WAC) 296-127-010(7)(b)(iii) defines “ordinary maintenance” as follows: *Work that is performed on a regularly scheduled basis (e.g., daily, weekly, monthly, seasonally, semiannually, but not less frequently than once a year), to service, check or replace items that are not broken; or work that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary.* (For Maintenance Projects, please see Section 2.)

Public Works Projects are broken down into four distinct categories:

- a. Architectural & Engineering Projects (including surveyors)
- b. Projects costing under \$100,000 (Small Works Projects)
- c. Projects costing between \$100,000 and \$200,000 (Small Works Projects)
- d. Projects costing over \$200,000

Cost of a Public Works Project or Purchase

Sno-Isle Libraries (SILS) need not comply with formal, sealed bidding procedures for the construction, building, renovation, remodeling, alteration, repair or improvement of real property (collectively, “Contracts”) where the estimated cost does not exceed Two Hundred Thousand Dollars (\$200,000), which includes the costs of labor, material, equipment and sales and/or use taxes, as applicable.¹

Before applying the dollar bidding limits in the following sections, the total cost of each public works project or purchase must be determined. Determining the estimated cost of a project is a crucial first step, since the determination will dictate whether bids must be sought. Making an exact cost estimate would be desirable, but exactness is seldom possible. The person making the estimate should determine the fair and reasonable value of the work to be performed (or the purchase to be made), given the particular conditions that will be faced and the requirements of the proposed project or purchase.

The cost estimate should reflect the amount that Sno-Isle Libraries considers fair and reasonable and that it is willing to pay for the work or purchase contemplated. Several approaches can be used to make an estimate. Sno-Isle Libraries can consider the actual cost of performance, considering the current cost of labor, equipment, and materials. Obviously, use of this approach requires the estimator have a good working knowledge of construction methods, equipment, and market conditions. A second approach arrives at an estimate by using historical data. The estimator reviews recently-awarded contracts, making

¹ Sno-Isle Libraries Board of Trustees Resolution No. 07-03.

adjustments for the proposed project and the current market conditions. A third approach would be to combine historical bid data with actual cost data.²

In determining the cost of a public works project, all amounts paid for materials, supplies, equipment, and labor on the construction of that project **must** be included.³

Small and Minority Firms, and Women’s Business Enterprises

It is the goal of Sno-Isle Libraries to encourage Small and Minority Firms, and Women’s Business Enterprises to be actively involved in the bidding process, however Sno-Isle Libraries shall neither discriminate against, nor give preferential treatment to such businesses.

Prevailing Wage

All public works projects require payment of prevailing wages under Chapter 39.12 RCW. Contractors must be told in advance that prevailing wages must be paid to all employees who work on the contract. It is the contractor’s responsibility to file a Statement of Intent to Pay Prevailing Wages with the Industrial Statistician of the Department of Labor and Industrial Services (DLIS). The contractor must also provide to Sno-Isle Libraries certified weekly payrolls covering every person who works on the project site from every contractor and subcontractor of any tier for the duration of the contract.

Please see <http://www.lni.wa.gov/TradesLicensing/PrevWage/WageRates/default.asp> for current prevailing wage rates.

² This discussion draws upon an internet article titled Guidelines on Preparing Engineer’s Estimate, Bid Reviews and Evaluation, prepared by the Federal Highway Administration of the U.S. Department of Transportation (2004).

³ RCW 35.22.620(5) and 35.22.630 for first class cities and code cities with a population of 20,000 or over; RCW 35.23.352(5) for second class cities, towns and code cities with populations of less than 20,000.

Section 1 a: Public Works Projects

Architectural & Engineering Projects

“Architectural and engineering services” are services rendered by any person or company, other than an employee of Sno-Isle Libraries, contracting to perform activities within the scope of the general definition of professional practice. Any service that would be provided by a professional, such as a registered architect, engineer, land surveyor, or landscape architect should be procured under the provisions of Chapter 39.80 RCW (Revised Code of Washington).

Chapter 39.80 RCW requires that Sno-Isle Libraries publish its need for architectural or engineering services in advance [Request for Qualifications (RFQ), see below], concisely stating the general scope and nature of the project or work for which services are required. The notice must also provide the address of a representative of Sno-Isle Libraries who can provide additional details. Compliance with this requirement may be accomplished by either: (1) publishing an announcement each time the service is needed or, (2) announcing generally to the public Sno-Isle Libraries’ projected requirements for any category or type of engineering or architectural service.

Request for Qualifications (RFQ)

- Must be used to secure the services of architects and engineers. This also includes surveyors and landscape architects.
- Must concisely state the general scope and nature of the project or work for which services are required.
- Must include the address of a representative of Sno-Isle Libraries who can provide additional details.
- Evaluation is based on the qualifications and performance data along with the information submitted regarding the proposed projects. (See “Evaluation of RFQ” on next page.)
- ***Cost cannot be an evaluation factor.***

After the most qualified firm has been chosen, Sno-Isle Libraries may negotiate a contract for the services at a price that Sno-Isle Libraries determines to be fair and reasonable, considering the estimated value of the services to be rendered, as well as the scope and complexity of the project.

If a satisfactory contract cannot be negotiated, Sno-Isle Libraries formally terminates the negotiations with that firm and attempts to negotiate a contract with the next most qualified firm.

The process continues until an agreement is reached or the search is terminated.

Immediately after the award and completion of a contract, all RFQs that Sno-Isle Libraries has secured must be recorded on the Proposal List, to be kept by the Purchasing Department, and made open to public inspection. This information must also be available to those who inquire by telephone.

The process outlined above for the procuring of architectural or engineering services may be dispensed with upon finding by SILS that an emergency requires immediate execution of the work involved. (RCW 39.80.060) (Please see Section 6c: Emergency Purchases.)

Evaluation of RFQ

Evaluation Committee

An evaluation committee should be made up of three to five individuals, one or two of whom are technically familiar with the project. The other members of the committee should be generally familiar with the project requirements. Sno-Isle Libraries staff will determine how the committee is chosen.

Evaluation Criteria

To assist the evaluation committee, and to insure a proper evaluation of the submittals, an evaluation criteria should be developed before receipt of submittals. Often, the evaluation criteria is made a part of the advertisement for services, so the respondents may direct their responses to the weighted criteria.

A sample evaluation criteria might be as follows:

<u>CRITERIA</u>	<u>POINTS</u>
Previous experience in the service required	0-25
Expertise of key personnel	0-25
Suggested project approach (understanding of project)	0-20
Response of references	0-10
Ability to meet time schedule	0-10
Previous experience on library projects	0-10
MAXIMUM POINTS	100

The evaluation criteria should be specifically developed for each project based upon size, complexity, time frame, etc. A specifically designed selection criteria makes it easier for the consultants to submit the desired information; makes it easier for the evaluation committee to perform its task; and reduces the possible problems of challenges to the selection process through careful evaluation and documentation of the procedure.

It must be noted that smaller or simple projects might require only a short evaluation, such as:

<u>CRITERIA</u>	<u>FAIR</u>	<u>GOOD</u>	<u>BEST</u>
Previous experience			
Experience of key personnel			
Previous experience on library projects			

It is to the advantage of both Sno-Isle Libraries and the consultants to advise the interested consultants of the weighted selection criteria to be used by Sno-Isle Libraries.

Section 1 b: Public Works Projects

Small Works Projects

Public Works Projects costing under \$100,000

Sno-Isle’s Library Director or his/her designee shall have authority to utilize the Limited Public Works Projects Process for Contracts up to \$100,000 as defined below.

LIMITED PUBLIC WORKS PROJECTS PROCESS FOR PUBLIC WORKS PROJECTS UNDER \$100,000

A contract for a work, construction, alteration, repair, or improvement project estimated to cost less than \$100,000 may be awarded using this process. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is being done to avoid compliance with bidding statutes. Public works projects awarded under this process are exempt from the requirements of the small works roster process for projects \$100,000 and over and are exempt from the requirement that contracts be awarded after advertisement.

For limited public works projects Sno-Isle Libraries shall solicit telephone, electronic or written quotations from a minimum of three contractors from the appropriate small works roster [Sno-Isle’s Small Works Roster or Municipal Research and Services Center of Washington (MRSC) Small Works Roster] and shall award the contract to the lowest responsible bidder. After an award is made the quotations shall be open to public inspection and available by electronic request.

Section 1c: Public Works Projects

Small Works Projects

Public Works Projects costing between \$100,000 and \$200,000

Sno-Isle Libraries Board of Trustees must give prior authorization for each project before Sno-Isle Libraries can use the Small Works Roster process for a contract estimated to cost over \$100,000 up to the limit of \$200,000. Once authorized, the Sno-Isle Director or his/her designee may solicit bids using the small works roster process defined below. If the winning bid is \$200,000 or less, the Director or his/her designee is authorized to accept the bid and go forward with the work. If all acceptable bids are over \$200,000 the project does not qualify for the small works process (see 1d).

SMALL WORKS ROSTER PROCESS

The Sno-Isle Libraries Board of Trustees Resolution No. 07-03 established the creation of the small works roster process. The small works roster may be used to award contracts for construction, building, renovation, remodeling, alteration, repair or improvement of real property for which the estimated cost is \$200,000 or less.

The small works roster shall consist of all responsible contractors who have requested to be on the list, and where required by law are properly licensed or registered to perform such work in this state. Once per year, Sno-Isle Libraries shall publish, in a newspaper of general circulation within the jurisdiction, a notice of the existence of the Roster and, through such publication, solicit the names of contractors for said Roster. Contractors desiring to be placed on the Roster must keep current records of any applicable licenses, certifications, registrations, bonding, insurance or other appropriate matters and, where requested, provide the same to Sno-Isle Libraries as a condition of being placed on the Roster. In addition, responsible contractors shall be added to the roster at any time if they submit a written request and necessary records.

Sno-Isle Libraries may alternatively use the MRSC small works roster to seek qualified contractors.

Sno-Isle Libraries shall obtain telephone, written or electronic quotations for public works contracts from contractors on the appropriate small works roster to assure that a competitive price is established and to award contracts to the lowest responsible bidder, as follows:

- A contract to be awarded from the small works roster need not be formally advertised. Invitations for quotations shall include the estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished; however, detailed plans and specifications need not be included in the invitation. This paragraph does not eliminate other requirements for architectural or engineering approvals (see Section 1a) as to quality and compliance with the building codes.
- Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five (5) contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.

- If Sno-Isle Libraries chooses to solicit bids from less than all the appropriate contractors on the appropriate small works roster, it must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought. Notice under this paragraph may be made by: (1) publishing notice in a legal newspaper in general circulation in the area where the work is being done; (2) mailing a notice to these contractors; or (3) sending a notice to these contractors by facsimile or other electronic means.
- For purposes of Sno-Isle Libraries Board of Trustees Resolution No. 07-03, “equitably distribute” means that Sno-Isle Libraries may not favor certain contractors on the appropriate small works roster over other contractors on the appropriate small works roster who perform similar services. At the time bids are solicited, the Sno-Isle Libraries representative shall not inform a contractor of the terms or amounts of any other contractor’s bid for the same project.
- A written record shall be made by the Sno-Isle Libraries representative of each contractor’s bid on the project and of any conditions imposed on the bid. Promptly after a bid opening is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.
- A list of all contracts awarded under the small works roster process shall be kept by the Purchasing Specialist. Once a year, the list of the contracts awarded under the small works process is to be furnished to the Board of Trustees and made available to the general public by the Administrative Services Director. The list shall contain the name of the contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items purchased under the contract, and the date it was awarded. The list shall also state the location where the bid quotations for these contracts are available for public inspection.

Section 1 d: Public Works Projects

Public Works Projects costing over \$200,000

Sno-Isle Libraries Board of Trustees must give prior authorization for each Public Works Project costing over \$200,000. Once authorized, the Sno-Isle Director or his/her designee may solicit bids using process defined below.

Public Works projects costing over \$200,000 must be awarded via a public, competitive sealed bid/proposal process. This applies to one-time purchases or a series of orders for which the cumulative costs for the budget year are above \$200,000. There are two processes available to meet this requirement – Invitation to Bid (ITB) and Request for Proposal (RFP), each defined below.

INVITATION TO BID (ITB)

The Invitation to Bid process is used for goods or services where price is the **sole determining factor**. The award is made to the vendor submitting the lowest bid that is **responsive** (a bid that addresses each element of the invitation to bid, provides all required information and documentation, and is submitted on time) to the solicitation and is made by a **responsible** bidder.

REQUEST FOR PROPOSAL (RFP)

The Request for Proposal process is used for goods and services where it is important to consider other factors such as quality and past performance. Proposals are evaluated partly on price and partly on other factors. In the interest of fairness, the evaluation criteria are disclosed in the RFP. The award is made to the **responsible** and **responsive** vendor whose proposal presents the best value to Sno-Isle Libraries. Proposals must be evaluated by a panel of more than one employee, with three to five employees with varying degrees of knowledge on the proposal being optimal.

EVALUATION PROCESS FOR RFP/ITB

The Sno-Isle Library Board of Trustees or at their direction the Library Director or his/her designee shall award the contract for the public works project to the lowest responsible bidder provided that, whenever there is a reason to believe that the lowest bid is not responsive or that it is not in the best interest of the Sno-Isle Libraries, the bid that is determined to be the lowest responsive and responsible bid may be selected or all bids may be rejected and the Library Director or his/her designee may call for new bids. In addition to price, the Library Director or his/her designee shall take into account the following:

- The ability, capacity and skill of the bidder to perform the contract or provide the service;
- Whether the bidder can perform the contract within the time specified by the Sno-Isle Libraries;
- The quality of the bidder's performance of previous contracts or services;
- The previous and existing compliance by the bidder with laws relating to the contract or services;
- Any conditions the bidder may have placed on his/her/its bid.

“Responsible” should not be confused with being “responsive.” Responsiveness is determined at the outset of the bid review process. Has the bidder submitted a bid that is consistent with the specifications and call for bids? If the bid is not consistent, it is nonresponsive and should not be considered. A responsive bid, however, may be made by a person or firm that is not responsible, that is, the bidder for a variety of reasons may not be able to perform as required.

RESPONSIBLE BIDDER OR VENDOR

A responsible bidder or vendor is one who is deemed to be capable of supplying the goods or services requested in the solicitation. Factors used to determine whether a vendor is responsible may include, but are not limited to:

- Whether the bidder/vendor has all the required licenses;
- Whether the bidder/vendor is eligible to do business in the jurisdiction;
- Whether the bidder/vendor is financially sound;
- Whether the bidder/vendor has experience providing goods or services similar to those being solicited;
- Whether the bidder/vendor has the necessary experience, staff, equipment, and/or facilities to satisfy requirements.

“BID SPLITTING” – BREAKING A PUBLIC WORKS PROJECT INTO SEGMENTS

Sno-Isle Libraries may not break a public works project into separate phases or parts to avoid compliance with bidding statutes. The Revised Code of Washington (RCW) 35.22.620(3) prohibits the division of a project into units of work or classes of work to keep costs below the bidding threshold. The Washington Supreme Court has held that one cannot break a public work into phases for the purpose of estimating the cost of a public works project, even though those phases are performed at different intervals of time.⁴

Sno-Isle Libraries, while completing a project in phases, must total the cost of all phases of the public work or purchase. If the aggregate cost exceeds the applicable bid limit, Sno-Isle Libraries must bid each phase of the project even though a given phase may cost less than the bid limit.

Solicitation Procedures

All RFPs and ITBs:

- Must be published in a newspaper of general circulation (e.g., Daily Journal of Commerce) at least thirteen (13) days before the last date on which the proposals will be received.
- Must identify significant evaluation factors, including price, and their relative importance.
- Must provide reasonable procedures for technical evaluation of the proposals (such as evaluation by the architect, engineer, or committee responsible for the technical aspects of the project), identification of qualified sources, and selection for awarding the Contract.

⁴ *National Electrical Contractors Association, Puget Sound chapter v. City of Bellevue*, 1 Wn. App. 81 (1969).

Award and Payment

- Must be made to the qualified respondent whose proposal is “most advantageous” to Sno-Isle Libraries. Sno-Isle Libraries may reject all proposals for good cause and request new proposals.
- After the most qualified respondent has been chosen, Sno-Isle Libraries will negotiate a contract for the services.
- If a satisfactory contract cannot be negotiated, Sno-Isle Libraries will formally terminate the negotiations with that respondent and attempt to negotiate a contract with the next most qualified respondent.
- The process will continue until an agreement is reached or the search is terminated.
- Immediately after the award and the completion of a contract, all RFPs that Sno-Isle Libraries has secured must be recorded on the Proposal List and made open to public inspection. This information must also be available to those who inquire by telephone.
- A copy of the Proposal List and the signed contract must be submitted to Accounts Payable.
- Any appeals or protests should be referred to the Administrative Services Director.

Note: Please see Purchasing for details on the procedures and forms used in the ITB and RFP processes.

Section 2: Maintenance Projects

Ordinary Maintenance on any Public Building or Property

Ordinary maintenance is defined as work that is performed on any public building or property on a regularly scheduled basis (e.g., daily, weekly, monthly, seasonally, semiannually, but not less frequently than once per year), to service, check, or replace items that are not broken; or work that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary.⁵ This work may be performed under a maintenance contract or on a case-by-case basis.

What is considered maintenance work? See the examples below:

Is an electrical project “ordinary maintenance” or a “public work”? *It depends. If a project on any public building or property entails providing light bulbs, pump bearing lubrication, and other small maintenance items, then the project is probably ordinary maintenance. However, if larger items such as an electrical panel or power conditioning unit are being replaced, the project is a public work and should be bid if the cost exceeds the bid limits.*

Is replacement of a carpet ordinary maintenance? *No. A carpet is neither replaced annually nor is it used to maintain the asset, which in this case would be the subflooring, so it would not fall into the ordinary maintenance category. However, if repair of a carpet entails replacing less than 15% of the overall carpet it may be considered a repair. (See Repairs below.)*

Would janitorial services fall under maintenance? *No. Janitorial contracts are considered a service. (See Section 5.)*

Maintenance work (scheduled, preventive and/or repair work) is not considered a public work and state law does not require a competitive bidding process. It is Sno-Isle Libraries’ policy to obtain maintenance services at market rates, seeking the best combination of services and costs.

Repairs on any Public Building or Property

This section is in reference to repairs associated with ordinary maintenance not exceeding \$15,000 and not associated with a public work. (Please see section 1b, 1c, or 1d if you have a repair that would not be associated with ordinary maintenance.)

The definition of repair is to restore by replacing a part or putting together what is torn or broken; to restore to a sound or healthy state.⁶

Repairs may include the replacement of a part or a piece of equipment, structure or other system such as the pump or condenser on a heating/air conditioning unit.

Repairs carried out under a maintenance contract do not need to be taken out to bid unless the cost exceeds \$25,000.

⁵ Washington Administrative Code (WAC) 296-127-010(7)(b)(iii).

⁶ Merriam-Webster’s Online Dictionary.

Routine Scheduled Maintenance

Routine maintenance (including preventive work) is generally performed by vendors under multi-year contracts. Sno-Isle Libraries will bid out each contract at no less than every five (5) years, but may do so more often, to identify potential vendors for all needed categories of maintenance services. When bidding, vendors/contractors will be asked to submit proposals including service definition, hourly rates, estimated annual cost increases, resource availability and personnel qualifications. Upon review, Sno-Isle Libraries will invite the top vendors to make a presentation to describe their qualifications and proposal details. The review committee, composed of representatives from the Administrative Services Department, Technical Services & Facilities Development Department and other Sno-Isle Libraries staff, will make a final decision based upon all data received.

On-Call Services

Sno-Isle Libraries uses on-call vendors/contractors to complete non-routine maintenance and small repair projects. Frequently the work includes troubleshooting to determine the proper course of action to resolve a building or equipment failure.

Vendors and contractors may be selected from:

- The MRSC (Municipal Research and Services Center of Washington) small works roster;
- The Sno-Isle Libraries small works roster;
- Other local vendors as needed for emergency situations (see Section 6: Emergency Purchases).

Section 3: Purchase of Furnishings and Equipment and Software Not Associated with a Public Works Project

NOTE: Items purchased through State, County, local or Government Contracts do not require additional bids. (See Section 6a: Government Contracts.)

Many purchases made by Sno-Isle Libraries are not connected to a public works project. Items in this category include supplies, furnishings, equipment and software that are for general purposes or will not be used to accomplish a public works project. Furniture and equipment are obvious examples as are vehicle and specialty equipment purchases such as computers, printers, and fax machines. Software will most often come under the *Sole Source* exception listed below but is included in the category to encourage a competitive process where possible. Sno-Isle is not required by law to seek competitive bids for the purchase of furnishings, equipment, and software not associated with a public work but chooses to do so as good public policy.

Distinguishing between public works and supplies, furnishings and equipment not used in a public work is important, as different bidding requirements apply to each. Below is an example of the difference between the two:

Is a new telephone system a public work or equipment purchase?

It depends. If the acquisition of the telephone system requires installation of cables, conduits, and other devices that attach to or become a permanent part of a building or property, it falls within the definition of a public work. If, however, the acquisition is of hardware, such as telephones, it would probably be considered the purchase of equipment. Note however that merely pulling cable to attach two or more computers, fax machines, phones, etc. does not constitute a public works project by itself.

When are Furnishings and Equipment considered a public work?

The mere fact that furnishings are included in the specifications for a public works project does not necessarily require that they be treated as a public work. Furnishings and equipment that become part of the building or property or attach permanently to that building or property are considered a public work. Furnishings or equipment that do not become part of or are not permanently attached to the building or property may be treated as not being associated with a public works project.

PURCHASING PROCEDURES FOR FURNISHINGS, EQUIPMENT, AND SOFTWARE NOT RELATED TO A PUBLIC WORKS PROJECT

- **Annual purchases under \$5,000:** A minimum of two (2) verbal/electronic/written quotations is preferred.
- **Annual purchases between \$5,000 and \$14,999:** A minimum of two (2) verbal quotations are needed, with exceptions as outlined in Section 6.
- **Annual purchases between \$15,000 and \$75,000:** A minimum of three (3) written quotations are needed, with exceptions as outlined in Section 6.
- **Annual purchases over \$75,000:** Must be awarded via a public, competitive sealed bid/proposal process, with exceptions as outlined in Section 6.

In all cases the basis upon which the award will be made shall be determined before quotes or bids are sought and made available to bidders. The determination criteria shall include but is not limited to price. Other factors such as suitability, capacity, and compatibility with existing installations or equipment or other specific needs may be used.

Brand names may be used in specifications to establish for the bidder standards and styles of products that meet the needs of Sno-Isle. If brand names are used, wording indicating that similar or equivalent products will be considered should be included in the specifications.

Please see Purchasing for additional information on forms and procedures for bids/proposals.

Annual purchases are defined by the amount spent on the purchased item(s), either as a single order or as a series of orders for the same or similar item(s) over the course of a fiscal year. An example of similar items would be book trucks of different colors or with different sized wheels.

Additional policies pertaining to specific purchasing categories are outlined in this manual.

Section 4: Purchase of Supplies

NOTE: Items purchased through State, County, local or Government Contracts do not require additional bids. This includes purchases made through Office Max. (See Section 6a: Government Contracts.)

Supplies are consumable items used in the daily operation of the Library System and include paper, office supplies, toner, custodial supplies, library cards, postcards, letterhead envelopes and paper, items used in maintenance activities and computer software. Please see Purchasing for further clarification as to what would be considered a supply purchase. Sno-Isle is not required by law to seek competitive bids for the purchase of supplies but chooses to do so as good public policy.

PROCEDURE FOR PURCHASING SUPPLIES

The following dollar thresholds include all costs associated with an order (tax, shipping, installation, etc.). The thresholds apply to one-time requests and to a series of orders (per library or department) for which the **cumulative** costs for the budget year falls within the threshold. ***For example, Sno-Isle Libraries may not split the purchase of library cards into two or more purchases throughout the year to avoid having to obtain the three quotations necessary toward determining the best price.***

- **Cumulative supply purchases of less than \$4,999:** Two (2) verbal quotations are recommended, but not required.
- **Cumulative supply purchases between \$5,000 and \$14,999:** Require a minimum of two (2) verbal quotations to determine the best price, with exceptions as outlined in Section 6.
- **Cumulative supply purchases between \$15,000 and \$49,999:** Require a minimum of three (3) written quotations to determine the best price, with exceptions as outlined in Section 6.
- **Cumulative supply purchases above \$50,000:** Must be awarded via a public, competitive sealed bid/proposal process, with exceptions as outlined in Section 6.

Please see Purchasing for additional information on forms and procedures for bids/proposals.

Documentation of the quotations gathered should be attached to the purchase requests.

Section 5: Purchase of Services

What constitutes a Service?

Services are non-public works activities requiring labor, equipment, supplies and items for which an agency contracts on a periodic and/or routine basis. Sno-Isle is not required by law to seek competitive bids for the purchase of services not associated with a public work but chooses to do so as good public policy.

Examples include:

- Customized accounting software and ongoing support services, as opposed to purchase of an “off-the-shelf” program with minimal support;
- Landscaping, building and grounds maintenance contracts;
- Utility billing services;
- Yearly contracts for snow and ice removal;
- Maintenance contracts for office equipment, including computers;
- Most professional services such as consultants, with the exception of architectural and engineering services (see Section 1a);
- Janitorial Services.

Distinguishing between services and public works is important, as acquiring services does not require bids, whereas contracting for public works may. Below is an example of an ambiguous situation:

Is the purchase of computer software a purchase of supplies or a purchase of a service?

It depends. If the software is “off-the-shelf” (or predominately so), then it is a supply (e.g., Word, Excel). If a consultant is procured to customize software, then it is a service (e.g., Solomon).

PROCEDURE FOR PURCHASES OF SERVICES

- **Annual purchases of services amounting to less than \$35,000:** Requires a minimum of three (3) written quotations to determine the best price.
- **Annual purchases of \$35,000 or greater:** Must be awarded via a public, competitive sealed bid/proposal process. This applies to one-time purchases or a series of orders for which the cumulative costs for the budget year are \$35,000 or greater. There are two processes available to meet this requirement – Invitation to Bid (ITB) and Request for Proposal (RFP). These processes are discussed in Section 3. There may be instances where the nature of the service does not lend itself to be sent out for bids. If you feel that your situation may fall into this category, please see Purchasing to determine the best way to complete the purchase.
- **Services that are used on a regular basis such as landscaping may be bid for three to five year contracts, provided that they are taken out to bid at least once every five years.**

Annual purchases are defined by the amount spent on the purchased item(s), either as a single order or as a series of orders for the same item(s) over the course of a fiscal year.

Section 6: Exceptions to Competitive Pricing and Formal Bid Process

GOVERNMENT CONTRACTS

Sno-Isle Libraries is authorized to purchase from or through the Federal, State or local governments per RCW 39.32.070-090. The statute authorizes the purchase of equipment, supplies, furnishings, and other property, without advertising, giving notice, or inviting proposals. In addition to compliance with Sno-Isle Libraries' procedures, compliance with other governmental agency procedures may be required.

SOLE SOURCE

Sole source purchasing is used when, due to unique characteristics of the requested product/service (e.g., copyright, patent), there is only one product or service capable of fulfilling Sno-Isle Libraries' requirement *and* only one vendor that sells that product or service.

EMERGENCY PURCHASES

Emergency purchasing is used only to avoid immediate hazard to life, to preserve Sno-Isle Libraries' property, or to prevent significant service disruptions.

LEASES OF REAL PROPERTY

Leases of real property do not need to be competitively bid.

Section 7: Glossary

Glossary:

Bid Limits - Dollar amounts below which competitive bids or the small works roster process are not required for the purchase of equipment, supplies or materials or for public works projects.

Competitive Bids - A process through which there is competition following advertisement in designated newspapers and/or other media for equipment, supply, material and public works contracts, open to all suppliers, vendors, and contractors, and in which price is the primary basis for consideration and contract award.

Invitation to Bid (ITB) - The ITB process is used for goods or services where price is the sole determining factor. The award is made to the vendor submitting the lowest bid that is *responsive* to the solicitation and is made by a *responsible* bidder.

Ordinary Maintenance - Work that is performed on a regularly scheduled basis (e.g., daily, weekly, monthly, seasonally, semiannually, but not less frequently than once a year), to service, check or replace items that are not broken; or work that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary [Washington Administrative Code (WAC) 296-127-010(7)(b)(iii)].

Public Works - All work, construction, alteration, repair or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. [RCW 39.04.010]

Quotes - A process through which verbal, written or electronic quotations are solicited from suppliers and vendors for equipment, supply and material contracts with total estimated costs below the bid limits following notification as established by local agency policies, if any, and in which price is the primary basis for consideration and contract award.

Request For Proposal (RFP) - The RFP process is used for goods and services where it is important to consider factors such as quality and past performance. Proposals are evaluated both on price and on other factors. In the interests of fairness, the evaluation criteria are included in the RFP. The award is made to the *responsible* vendor whose proposal presents the best value to Sno-Isle Libraries.

Responsible Bidder or Vendor - A responsible bidder or vendor is one who is deemed to be capable of supplying the goods or services requested in the solicitation. Factors used to determine whether a vendor is responsible may include, but are not limited to:

- Whether the organization has all the required licenses;
- Whether the organization is eligible to do business in the jurisdiction;
- Whether the organization is financially sound;
- Whether the organization has experience providing goods or services similar to those being solicited;
- Whether the organization has the necessary experience, staff, equipment and/or facilities to satisfy requirements.

Responsive Bid - A responsive bid is one that responds to all of the significant requirements outlined in the solicitation. A bid that is not responsive to the solicitation is screened out as ineligible for award.

Services - Services are non-public works activities requiring labor, equipment, supplies and materials for which an agency contracts, on a periodic, routine basis. Professional services are defined as activities such as consulting that have a primarily intellectual final product.

Small Works Roster - A process through which there is competition following notification to some or all public works contractors who have requested placement on a roster kept by Sno-Isle Libraries and/or MRSC, in which price is the primary basis for consideration and contract award.