

RESOLUTION NO. 646

A RESOLUTION OF THE WOODINVILLE CITY COUNCIL, ADOPTING PURCHASING POLICIES.

WHEREAS, the City Council finds it in the best interest of the citizens to establish policies to ensure the financial stability of the City; and

WHEREAS, the Washington State Legislature has enacted changes to procurement laws that requires the City purchasing policy be updated to be in compliance with State Statutes effective on June 30, 2024; and

WHEREAS, the City Council regularly reviews existing policies and establishes additional policies to promote fiscal responsibility and the efficient transaction of City business;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODINVILLE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City hereby adopts the policies attached hereto as Attachment A and incorporated herein by reference as the Purchasing Policies of the City of Woodinville, which replaces and supersedes all previously adopted purchasing polices.

RESOLVED this 18th day of June 2024.



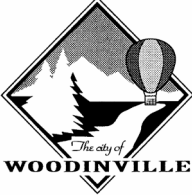
MIKE MILLMAN, MAYOR

ATTEST/AUTHENTICATED:

Katie A. Hanke

KATIE HANKE
CITY CLERK

Passed by the City Council: 06-18-2024
Resolution No. 646

	<p style="text-align: center;"><u>FINANCE</u></p> <p>Policy Number: 5.01</p> <p>Policy Title: Purchasing Policies</p> <p>Effective Date: September 14, 2001 Revised: June 2, 2003 (Resolution No. 253) Revised: April 5, 2004 (Resolution No. 270) Revised: March 21, 2005 (Resolution No. 292) Revised: October 2, 2007 (Resolution No. 344) Revised: June 16, 2015 (Resolution No. 459) Revised: January 7, 2020 (Resolution No. 551) Revised: May 3, 2022 (Resolution No. 604) Revised: June 18, 2024 (Resolution No. 646)</p>
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I. General Requirements

1. Department directors shall ensure that appropriations are sufficient to acquire goods or services.
2. City employees shall strive to obtain the most cost-effective prices for the City and shall consider all aspects of purchasing in acquisition decisions.
3. A requisition is required if it meets any of the following criteria:
 - 3.1. If at least 3 quotes were obtained, or it was competitively bid
 - 3.2. Is an Architecture and Engineering (A&E) Service agreement
 - 3.3. Is a Purchased or Personal Service agreement that is over \$5,000

The Finance Director has the discretion to waive the requirement of a requisition, provided that in their judgement it does not circumvent controls and/or meets the business needs of the City. Purchases with a vendor or company in which the City has an active line of credit account do not require requisitions.

There may be procurements that do not meet the criteria above and/or in Item 3, but it makes practical or business sense to create the requisition. In such cases in which there is a question, consult with the Finance Director or the Contracts Manager.

4. Any purchase that does not have a Council approved contingency amount (whether it's a PW Contract, service, equipment, etc.), which exceeds \$50,000, requires Council's approval to award (except as defined otherwise within this Policy).
 - 4.1. If the City Council approves a contingency, change orders and amendments may be approved by the City Manager, or their designee, up to the contingency amount approved by Council. Any expenditure over the Council contingency approved amount must have City Council approval.
 - 4.2. Once Council has approved a purchase, change orders and/or amendments to that purchase require approvals using the following thresholds:

- Accumulated change orders and/or amendments up to \$20,000 must be approved by the Department Director.
- Accumulated change orders and/or amendments from \$20,000 to \$50,000 must be approved by the City Manager.
- Accumulated change orders and/or amendments that exceed \$50,000 must be approved by the City Council.

4.3. Once the City Council has approved a change order and/or amendment, the above cycle of approval thresholds starts over.

5. Employees are to use professional judgement as to the cost/benefit of obtaining multiple quotes. For purchases of materials, supplies, and equipment that exceed \$20,000 per order, procurement policies in section III of this document must be followed, unless the items are from a sole source vendor (see sole source purchases below) or council approved cooperative purchasing organization.
6. All purchases that involve multiple departments shall have the approval of all participating departments.
7. With the approval of the City Manager, credit card or credit line purchases over \$2,000 from select vendors may be made without a purchase order. The receipts for the purchases must be submitted to the Finance Department as prescribed by the City's credit card policy.
8. With prior approval of the department director, an employee may personally pay for an approved purchase, and be reimbursed through an expense voucher.
9. All invoices received pursuant to this policy shall be approved for payment by the affected department director(s), or their designee, on either the invoice itself or on the City voucher.
10. The Finance Department shall review the requisition of major purchases for reasonableness. Questions about the purchase may be directed to the department director or City Manager. The City Manager may choose to take any proposed purchase for goods or services to Council for discussion and/or approval pursuant to RCW 35A.13.080.
11. Purchases that would result in line-item cost overruns will be allowed if a line item within the same department has funds available to cover the expense. Expenditures requested in excess of a department's adopted budget must be approved by the City Manager. Expenditures in excess of the adopted fund amount must be approved by the City Council by an amending Ordinance.
12. The policy and procedure related to procurements awarded utilizing federal funds are detailed in the Finance Policy 5.10. The City will
13. A Petty Cash fund is maintained for the control and use of petty cash for minor purchases for the City as established in WMC 3.24. Purchases that are within the limits established by code and the Finance Director's regulations (Policy 5.12), may be reimbursed by petty cash. The preferred method of minor purchase is to use a City Purchase-Card.

14. Purchasing of technology related equipment or services, the IT Manager must review and make recommendations for the purchase. Technology related equipment or services are defined but not limited to:
- Cloud, hosted and/or hybrid services.
 - Anything that will connect to the City IT infrastructure (wired network, wireless network, servers, desktops, laptops, tablets, smartphones) or extend the City's IT infrastructure to the cloud, hosted and/or hybrid services.
 - Potentially impact wired and/or wireless network and internet bandwidth.
 - Potentially impact email flow, email delivery, email addresses and domain validity.
15. All interlocal agreements must be approved by the City Council.
16. Splitting orders into smaller orders to avoid exceeding approval or procurement thresholds is not allowed.

Sole Source/Cooperative Purchases

17. Competitive bidding requirements may be waived by the governing body of the municipality for:
- Purchases that are clearly and legitimately limited to a single source of supply;
 - purchases involving special facilities or market conditions;
 - purchases in the event of an emergency;
 - purchases of insurance or bonds; or
 - Public Works in the event of an emergency.
- 17.1. In the event the material, equipment, supplies, or services are available from only one supplier, written documentation demonstrating the appropriateness of sole source procurement shall be submitted to and approved by the City Manager. When the total expected cost exceeds five thousand (\$5,000), the City Attorney will also approve sole source justifications. Except in the event of an emergency, the contract and the basis for the exception from competitive procurement must be recorded and open to public inspection immediately after its award.
- 17.2. If an emergency exists, the person or persons designated by the City Council to act in the event of an emergency may declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts on behalf of the municipality to address the emergency situation. If a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be made by the governing body or its designee and duly entered of record no later than two weeks following the award of the contract.
- 17.3. For purposes of this section "emergency" means unforeseen circumstances beyond the control of the municipality that either: (a) Present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

18. Cooperative Purchases / Piggybacking

- 18.1. Pursuant to RCW 39.34 the City is authorized to take cooperative action including joint purchases by different government agencies. The City may make purchases using another (the “host”) government agency’s purchasing contract, a process known as “piggybacking.” To piggyback on another government agency’s contract:
 - 18.1.1. The host agency and the City must sign an interlocal agreement (ILA) and file it with the county auditor or post it online by subject;
 - 18.1.2. The host agency must comply with its statutory contract requirements and post the solicitation online; and
 - 18.1.3. The vendor must agree to the arrangement through the initial solicitation documents.
- 18.2. It is the responsibility of the City’s Contract Manager to verify that the host government agency is in compliance with its own purchasing statutes to the piggyback award.
- 18.3. In addition to the foregoing, the City is authorized to purchase supplies, materials, electronic data processing and telecommunication equipment, software, services, and/or equipment from or through the United States government (i.e. U.S. General Services Administration or GSA) without calling for bids pursuant to RCW 39.32.090.

II. Special Requirements: Public Works

Approval Authority – Public Works

Amount	Approval Authority
\$0 to \$50,000	City Manager
> \$50,000	City Council

Bid Requirements – Public Works

Amount*	Purchase Type	Bid Requirements
\$0 to \$50,000	Public Works	Minimal Competition Process - Multiple quotes are not required, however professional judgment should be used as to the value of multiple quotes.
\$50,001 to \$75,500	Public Works (Single craft or trade)	Minimal Competition Process - Seek quotes. Requirement can be waived (<i>see Approval Requirements 1</i>)
> \$50,001 to \$150,000	Public Works (Multiple Crafts or Trades)	. Minimal Competition Process - Seek quotes. Requirement can be waived (<i>see Approval Requirements 1</i>)
> \$75,501 to \$350,000	Public Works RCW 39.04.152	Small Works Roster Process– invitations to bid to all contractors in applicable roster category(ies)
\$350,001+	Public Works	Formal Competitive Bid Process (sealed)

*excludes state sales tax.

Definitions

- Public Works Capital Improvement Project (“PW CIP”) – is a project that has been included on the City’s CIP plan and/or in the capital improvement portion of the biennial budget or Council approved ad-hoc CIP’s.
- Public Works Contracts (“PW Contracts”) – this term is intended to be inclusive of CIP contracts (excluding A&E, professional services, and purchases), Unit-Price Contracts (e.g. on-call guardrail repair, etc.), and all other projects that are required by statute to include Public Works bidding requirements whether they are part of the capital plan process or the operating plan.
- Discretionary Services – Is a service that is not explicitly called out as a deliverable in an agreement, or a service that by agreement design be only provided when requested. Typically, these services are part of ILA’s.
- Minimal Competition – competitive bidding is not required below \$150,000 as defined in RCW 35.23.352.

Approval Requirements

1. The City Manager or their designee may waive the requirement of multiple quotes for any PW Contract up to \$75,500 (single craft) or up to \$150,000 (multiple craft) as allowed in RCW 35.23.352. All PW CIP’s require approval of the City Manager.
2. All PW Contracts, except those performed under an interlocal agreement, require a requisition and a contract.
3. All PW Contracts, which exceed \$50,000, require Council to award the contract.
4. PW CIP’s frequently include contingency amounts when presented to Council for award. If the City Council approves a project with a contingency, change orders and amendments may be approved by the City Manager or their designee up to the contingency amount approved by Council. Any expenditure over the Council

contingency approved amount must have City Council approval. Where a PW CIP's budget does not include a contingency, the City Manager may approve change orders and amendments in total not to exceed \$50,000.

5. Interlocal Agreements (ILA): PW Contracts performed pursuant to an ILA for on-call, unit-priced services require a separate contract¹ but are subject to the limits established by the agreement. Requests for Discretionary Services, which exceed \$500, must be executed by the Department Director or their designee, but are subject to the limits established by the agreement.
6. Unit-Priced Public Works Contracts*. PW Contracts may be performed using Unit-Priced "on-call" contract when appropriate. A Unit-Priced public works contract is a contract for an unknown number of small public works tasks over a fixed period of time. Unit-priced contracts are not associated with a single identified project, do not guarantee any amount of work, and do not establish a total dollar value but should state a total non-to-exceed amount. Instead, the City agrees to pay a defined "unit price" for certain types of anticipated (but unplanned) work or trades over a certain time period.
 - 6.1. A unit-priced contract must still be competitively bid using the Small Works Roster pursuant to RCW 35.23.352. The invitation to bid must include the following:
 - 6.1.1. Specify how the City will issue or release work assignments or work orders that authorize work based upon either a "not-to-exceed" time and materials basis or a negotiated lumpsum amount using the previously established unit prices.
 - 6.1.2. Estimated quantities of the anticipated types of work or trades.
 - 6.1.3. At least one minority or woman contractor must be invited whenever possible.
 - 6.1.4. The initial term may not exceed three (3) years with the option to extend or renew for one (1) additional year.
 - 6.2. Prevailing wage rates must be updated annually using the rates in effect at the beginning of each contract year (not calendar year), and intents and affidavits for prevailing wages paid must be submitted annually for all work completed during the previous 12 months.
 - 6.3. Contracts will be awarded to the lowest responsible bidder pursuant to RCW 39.04.350.
7. Project/Contract Acceptance. All PW projects/contracts, \$35,000 or more², require a final acceptance process that documents that the project/contract scope of work has been deemed complete. Upon final acceptance the City must file a Notice of Completion to three (3) state agencies: the Department of Revenue, the Employment Security Department, and the Department of Labor and Industries. After receiving

¹ RCW 39.34

² RCW 60.28.051

*RCW 35.23.352(13)

confirmation for each agency, the retainage and/or performance bonds may be released.

7.1. For Contracts \$50,000 or more, final acceptance is authorized by the City Council.

7.2. For Contracts under \$50,000, final acceptance may be authorized by the City Manager. Acceptance will be documented via memorandum and issued to the City Manager for final acceptance signature.

Bidding Requirements

8. PW Contracts shall be awarded using the competitive process, if any, specified in the Bid Requirements table at the top of this Section II.

- City employees are allowed to perform work without contracting or calling for bids if such work is an accepted industry practice under prudent utility management. "Prudent utility management" means performing work with City employees utilizing material of a worth not exceeding \$300,000 in value without a contract.

9. For the Minimal Competition Process, regardless of whether 1 quote is solicited or multiple, documentation of the quoting process will be maintained to demonstrate compliance with this policy.

10. Determining Lowest Responsible Bidder. The City of Woodinville 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 acceptable bid is not the best price obtainable, all bids may be rejected, and the City of Woodinville may call for new bids. Additionally, the City may issue a written finding that the lowest bidder has delivered a project to the City within the last 3 years which was late, over budget, or did not meet specifications, and the City does not find in writing that such bidder has shown how they would improve performance to be likely to meet project specifications then the City may choose the second lowest bidder whose bid is within 5% of the lowest bid and meets the same criteria as the lowest bidder.

10.1. In addition to price, the City of Woodinville shall take into account the following:

- The criteria established in RCW 39.04.350 for responsible bidders;
- The ability, capacity, and skill of the bidder to perform the contract;
- Whether the bidder can perform the contract within the time specified by the City of Woodinville;
- 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.

11. Award. The City Manager or their designee, shall have the authority to award Public Works Contracts up to \$50,000. The City Council shall award all Public Works Contracts over \$50,000. The City Manager or their designee shall present all quotations/bids for projects over \$50,000 and recommend to the City Council the lowest responsible bidder for award of the contract.

Small Works Roster

12. The following small works roster (SWR) procedures are established for use by the City of Woodinville pursuant to RCW 35.23.352 and RCW 39.04.151 through 39.04.154.

12.1. Cost. The City of Woodinville need not comply with formal sealed bidding procedures for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost does not exceed Three Hundred Fifty Thousand Dollars (\$350,000), which includes the costs of labor, material, equipment but not sales and/or use taxes as applicable. Instead, the City of Woodinville may use the small works roster procedures for PW Contracts as set forth herein. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process.

12.2. Number of Rosters. The City of Woodinville may create a single general small works roster or may create a small works roster for different specialties or categories of anticipated work. Said small works rosters may make distinctions between contractors based upon different geographic areas served by the contractor.

12.3. Contractors on Small Works Roster(s). The small works roster(s) shall consist of all responsible contractors who have requested to be on the roster(s), and where required by law are properly licensed or registered to perform such work in this state. Contractors desiring to be placed on a roster or rosters must keep current records of any applicable licenses, certifications, registrations, bonding, insurance, including if they are a state certified women and minority-owned business, veteran-owned business, or small business or other appropriate matters on file with the City of Woodinville as a condition of being placed on a roster or rosters. The small works roster used by the City will be established and maintained by the Finance Director, or their designee. The City may use a roster service in lieu of maintaining its own rosters. An interlocal contract or agreement between the City of Woodinville and other local governments establishing a small works roster or rosters to be used by the parties to the agreement or contract must clearly identify the lead entity that is responsible for implementing the small works roster provisions.

12.4. Publication. At least once a year, the City of Woodinville shall publish in a newspaper of general circulation within the jurisdiction and provide the office of minority and women's business enterprises' directory of certified firms a notice of the existence of the roster or rosters and solicit the contractors/consultants/service providers/vendors for such roster or rosters.

12.4.1. Responsible contractors must be added to an appropriate roster or rosters at any time that they submit a written request and necessary records.

12.4.2. The contractors must agree and be able to receive notifications and other communications via email.

- 12.4.3. Contractors that meet the definitions of women and minority-owned business (RCW 39.19.030(7)(b)), veteran-owned business (RCW 43.60A.0101), or small business (RCW 39.04.010) are required to indicate such and keep current records of any applicable licenses, certifications, registration, bonding, or insurance on file.
- 12.4.4. The City of Woodinville may require master contracts to be signed that become effective when a specific award is made using a small works roster.
- 12.4.5. A PW Contract awarded from a small works roster need not be advertised. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This paragraph does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes.
- 12.4.6. Bids shall be invited from all appropriate contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being requested, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.
- 12.5. For PW Contracts awarded under \$5,000, retainage or bonds are not required. PW Contracts awarded between \$5,001 and \$350,000, are subject to bonds but may reduce or waive the retainage requirements of RCW 60.28.011(1)(a), thereby assuming the liability for contractor's nonpayment of: (i) laborers, mechanics, subcontractors, material, person, and suppliers; and (ii) taxes, increases, and penalties under Titles 50, 51, and 82 RCW that may be due from the contractor for the project. However, the City has the right of recovery against the contractor for any payments made on the contractor's behalf. Recovery of unpaid wages and benefits are the first priority for actions filed against the contract.
- 12.6. Public Notification. Once a year, the City must publish on the City's website a list of small works contracts awarded pursuant to RCW 39.04.200. The list shall contain the name of the contractor awarded the contract, the amount of the contract, a brief description of the type of work performed under contract, and the date it was awarded. The list shall also state the location where the bid quotes for the contracts are available for public inspection.

III. Special Requirements: Purchases of Supplies, Materials, and Equipment (not related to a Public Works)

Approval Authority – Supplies, Materials and Equipment

Amount	Approval Authority	Requisition Needed?
\$0 to \$1,000	Authorized employees	Yes, if > \$7,500 or if multiple bids are obtained, (see General Requirements I.3)
> \$1,000 to \$2,000	Department Director	
> \$2,000 to \$20,000	Department and Finance Directors	
> \$20,000 to \$50,000	City Manager	Yes
> \$50,000	Council	Yes

Bid Requirements – Supplies, Materials and Equipment

Amount	Purchase Type	Bid Requirements
\$0 to \$20,000	Supplies Materials, & Equipment RCW 35.23.352	Multiple quotes are not required, however professional judgment should be used as to the value of multiple quotes.
\$20,001 to \$50,000	Supplies Materials, & Equipment RCW 39.04.190	Vendor List – three quotes needed
> 50,000	Supplies Materials, & Equipment	Competitively bid
Alternatives:		
All amounts	Supplies Materials, & Equipment	State contract via DES or other approved cooperative agency
All amounts	Telecommunication and data processing (computer) equipment	Competitive negotiation

Approval Requirements

1. Purchases of supplies, materials and equipment, which do not exceed \$1,000, may be made by authorized employees as designated by their Department Director.
2. Purchases, which exceed \$50,000, require a contract approved by the City Council.
3. The Finance Department issues open purchase orders on a periodic basis. Such purchase orders must specify the valid length of time, the single purchase limit, and cumulative amount.

Bidding Requirements

4. The City of Woodinville will attempt to obtain the lowest practical price for such goods and services.
5. Purchases between \$0 and \$20,000 do not require multiple quotes; however, staff are to use professional judgment to weigh the cost/benefits of obtaining multiple quotes.
6. Multiple quotes are also not required if items are from a sole source³ vendor, or the vendor has a contract with a City Council approved cooperative organization or the Department of Enterprise Services⁴. Approval of the Department Director, and a properly executed requisition approved by the Finance Director or their designee is required.

³ RCW 35.23.352(10)

⁴ RCW 39.34.030

7. Telecommunication and data processing (computer) equipment may, pursuant to RCW 39.04.270, follow a “competitive negotiation” process as an alternative to the bid process.
8. The City of Woodinville is not required to use informal or formal sealed bidding procedures, or the procedures set forth in these policies for the purchase of any materials, supplies of equipment if purchased from vendors under contract with the Department of Enterprise Services, U.S. General Services Administration (GSA), or through other City Council approved cooperative purchasing organizations
9. Purchases between \$20,001 and \$50,000 require the use of a Vendor List⁵. When a vendor list is used, a minimum of three (3) quotes and a requisition approved by the Department Director is required.
 - 9.1. Vendor List Procedures. The following purchasing procedures are established for the purchase of materials, supplies or equipment not connected to a Public Works Project pursuant to RCW 39.04.190:
 - 9.1.1. The vendor list shall consist of all responsible vendors who have requested to be on the list(s). The vendor roster used by the City will be established and maintained by the Finance Director, or their designee. Alternatively, the City may use a roster service in lieu of maintaining its own vendor list. An interlocal contract or agreement between the City of Woodinville and other local governments establishing a vendor list to be used by the parties to the agreement or contract must clearly identify the lead entity that is responsible for implementing the vendor list provisions.
 - 9.1.2. Publication of Notice. If the City uses a vendor list, at least twice a year, the City shall publish, in the City's official newspaper, notice of the existence of a roster(s) of vendors for materials, supplies, and equipment, and shall solicit names of vendors for the roster.
 - 9.1.3. Telephone Quotations. The City of Woodinville shall use the process outlined to obtain telephone or written quotations, including electronic means such as email, from vendors for the purchase of materials, supplies, or equipment.
 - 9.1.3.1. Telephone Quotations. The City of Woodinville shall use the following process to obtain telephone quotations from vendors for the purchase of materials, supplies, or equipment:
 - 9.1.3.1.1. A written description shall be drafted of the specific materials, supplies, or equipment to be purchased, including the number, quantity, quality, and type desired, the proposed delivery date, and any other significant terms of purchase;
 - 9.1.3.1.2. A City of Woodinville representative shall make a good faith effort to contact at least three (3) of the vendors on the roster to obtain telephone solicitation quotations from the vendors for the required materials, supplies, or equipment;

⁵ RCW 39.04.190

- 9.1.3.1.3. The City of Woodinville representative shall not share telephone quotation from one vendor with other vendors solicited for the bid on the materials, supplies, or equipment;
- 9.1.3.1.4. A written record shall be made by the City of Woodinville representative of each vendor's bid on the material, supplies, or equipment, and of any conditions imposed on the bid by such vendor;
- 9.1.3.1.5. The City of Woodinville representative shall present to the Department Director and Finance Director all telephone quotations and a recommendation for award of the contract to the lowest responsible bidder.
- 9.1.4. Determining the Lowest Responsible Bidder. The City of Woodinville shall purchase the materials, supplies or equipment from the lowest responsible bidder, provided that whenever there is reason to believe that the lowest acceptable quote is not the best price obtainable, all quotes may be rejected, and the City of Woodinville may call for new quotes. The City of Woodinville shall determine the lowest responsible bidder in accordance with the criteria established in RCW 39.26.160 (1, 2a – g, 4 – 6).
- 9.1.5. Award. The Department Director shall review the quotations and the recommendation by City staff and award the contract to the lowest responsible bidder. A written record of each vendor's quotation shall be made open to public inspection or telephone inquiry after the award of the contract. Any contract awarded under this subsection need not be advertised.
- 9.1.6. Change orders. If change orders and/or amendments cause the total to exceed \$50,000, the change order and/or amendment must be approved by council.
- 9.1.7. A list of all the contracts awarded under RCW 39.04.190 must be posted at least once every two months. The list shall contain the name of the vendor awarded the contract, amount of the contract, brief description of the purchase, and the date awarded. The list shall also state the location where the bid quotes are available for public inspection.
10. Purchases of materials, supplies, and equipment, which exceed \$50,001, must be bid competitively per RCW 35.23.352. The purchase must be approved by the City Manager. If change orders and/or amendments cause the accumulated total to exceed \$50,000, the change order and/or amendment must be approved by the City Council.
11. Lease with an Option to Purchase: Competitive bidding is not required if the estimated cost does not exceed \$7,500 subject to debt limits⁶.

⁶ RCW 35.42.210

IV. **Special Requirements: Purchase of Services other than Architecture and Engineering.**

Approval Authority – Services other than Architecture and Engineering		
Amount	Approval Authority	Requisition and Contract Needed?
\$0 to \$1,000	Authorized employees	No
> \$1,000 to \$5,000	Department Director	No
> \$5,000 to \$20,000	Department and Finance Director	Yes
> \$20,000 to \$50,000	City Manager	Yes
> \$50,000	City Council	Yes

Bid Requirements – Services other than Architecture and Engineering		
Amount	Purchase Type	Bid Requirements
>\$0	Service	Not required to seek competitive bids.

There are two specific types of professional services other than Architectural and Engineering services:

- **Personal Services:** technical expertise provided by a consultant to accomplish a specific study, project, task or other work statement. These types of services may or may not reasonably be required in connection with a Public Works Project, activity or product is mostly intellectual in nature, and license or certifications may or may not be required depending on the type of personal service. Some examples include:
 - o Legal services
 - o Geotech review (if asking for testing and raw data reports analyzed by city staff
 - o Meeting facilitation
 - o Public outreach coordination
 - o Strategic or Economic type planning or development
 - o Rate setting studies
- **Purchased Services:** these are provided by vendors for routine, necessary and continuing functions of a local agency, mostly relating to physical activities that are repetitive, routine, or mechanical in nature. Sometimes these services may hover into public works. Consulting with the Procurement Manager as necessary. Some examples include:
 - o Delivery/courier services
 - o Landscaping and building maintenance (janitorial)
 - o Herbicide application service
 - o Vehicle inspections and repair services

Approval Requirements

1. Purchases of services, which do not exceed \$1,000, may be made by authorized employees as designated by the Department Director.
2. A properly executed contract approved by the Department Director and a properly executed requisition approved by the Finance Director, shall be obtained for purchases which exceed \$5,000.

3. Purchases between \$5,000 and \$20,000 require a properly executed contract approved by the Department Director, and a properly executed requisition approved by the Finance Director.
4. Purchase of services between \$20,000 to \$50,000 require a requisition approved by the Finance Director and a contract signed by the City Manager.
5. Purchase of services which exceed \$50,000, require a requisition approved by the Finance Director and a contract approved by the City Council.

Bidding Requirements

6. Purchase of services may require approval of the City Manager, but are not required to seek competitive bids, except for provision of an official newspaper which must be called for annually⁷.
7. Contracts for services should not exceed six (6) years; provided, that additional extensions of no more than two (2) years may be allowable with written approval by the City Manager, which must include an explanation of the benefit provided to the City. In any event, before any contract renewals are awarded, there must be a review for the following:
 - Contract - form and requirements.
 - Fee schedule - ensuring that it remains competitive.
 - Quality of service - ensuring that it continues to meet the City's expectations.

⁷ RCW 35.23.352(7)

V. **Special Requirements for Architecture and Engineering Services**

Approval Authority – Architecture and Engineering Services

Amount	Approval Authority	Requisition and Contract Needed?
\$0 to \$1,000	Authorized employees	Yes
> \$1,000 to \$5,000	Department Director	
> \$5,000 to \$20,000	Department and Finance Director	
> \$20,000 to \$50,000	City Manager	
> \$50,000	City Council	

Bid Requirements – Architecture and Engineering Services

Amount	Bid Requirements
All	Request for proposals or statement of qualifications, selection based on pre-determined criteria and negotiated price for services

Architectural & Engineering (A&E) services are professional services rendered by a consultant or any person, other than an employee of the City, contracting to perform activities with the scope of general definition of professional practice in chapters 18.08 (Architects), 18.43 (Engineers and Land Surveyors), or 18.96 (Landscape Architects) RCW. Some examples include:

- Architectural design
- Road design
- Sewer and water system design
- Geotech review (if asking for analysis of testing for compliance with specs or asking for professional judgement)

Approval Requirements

1. All agreements for architecture and engineering services must follow the procedures set forth in chapter 39.80 RCW and are subject to the same approval requirements in Section IV.
2. All professional architecture and engineering services, except those performed under an interlocal agency agreement, require a requisition and a contract.

Bidding Requirements

3. Procurement of architecture and engineering services shall be in accordance with RCW 39.80.010 - 060. The statute requires advance publication of the requirement for architecture and engineering services⁸. This requirement may be met by publishing an announcement each time such services are required or by announcing generally to the public the City's projected needs for any category or type of services.
 - 3.1. A City department needing architecture or engineering services shall evaluate the Statement of Qualifications SOQ's received or on file with the City and shall

⁸ RCW 39.80.030

conduct discussions with one or more firms regarding the project (interviews are not required but encouraged).

- 3.2. The City department shall establish selection criteria and based on the criteria select the firm “most highly qualified” to provide the service. After the most qualified firm has been chosen, the City department may negotiate a contract for the service at a price which the City department determines is fair and reasonable, considering the estimated value of the services, as well as the scope and complexity of the project.
 - 3.3. If a satisfactory contract cannot be negotiated, the City department shall formally terminate the negotiations with that firm and attempt to negotiate a contract with the next most qualified firm⁹.
 - 3.4. If the department chooses to negotiate with only one firm off the roster list, a memo outlining the selection criteria and reasons for only considering one firm shall be forwarded to the City Manager and placed in the project file.
4. When the City reviews SOQ’s submitted in response to the City’s annual publication of projected needs, it shall review one (1) or more SOQ’s from minority and women-owned firms and veteran-owned firms as available within the applicable roster (RCW 39.80.040). When calling for SOQs for architectural and engineering services, the City shall encourage minority and women-owned firms and veteran-owned firms to submit SOQs.
 5. If the City declares an emergency, the requirements of Chapter 39.80 RCW may be waived.
 6. The City may also enter into a contract for architecture and engineering services with another public agency for the joint utilization of services if the agency contracting with the architectural or engineering firm complies with the requirements for contracting for such services under chapter 39.38 RCW; and the services to be provided to the other agency or agencies are related to, and within the general scope of, the services the architectural or engineering firm was selected to perform. An ILA specific to the architecture and engineering scope of work must be executed between the City and public agency prior to the procurement of architecture and engineering services. Once the ILA is executed, the procurement documents for architecture and engineering services must clearly identify that the final negotiated contract of services will be utilized by multiple public agencies (RCW 39.34.030(6))
 7. The process for all on-call A&E services (i.e.: engineering and geotech firms that are used on an as-needed basis) requires the following:
 - 7.1. Advance publication for the Request for Qualifications (RFQ).
 - 7.2. The following is required when issuing an RFQ:
 - 7.2.1. A scope of work.
 - 7.2.2. Clear details if the City intends to award to more than one firm.

⁹ RCW 39.80.050

- 7.2.3. The release of work via the task order process must be defined.
- 7.2.4. How SOQ's will be reviewed and scored including details of the evaluation criteria.
- 7.3. The RFQ will be posted on the City's roster system.
- 7.4. All submitted SOQ's will be reviewed, evaluated, and scored based on the defined evaluation criteria in the RFQ.
- 7.5. The City decides if interviews are required.
- 7.6. If it is determined that the City intends to award on-call contracts to more than one firm, negotiations will begin with those selected firms.
8. Contracts for services should not exceed six (6) years; provided, that additional extensions, of no more than two (2) years, may be allowable with written approval by the City Manager, which must include an explanation of the benefit provided to the City. In any event, before any contract renewals are awarded, a contract must be reviewed for the following:
 - Contract - form and requirements.
 - Fee schedule - ensuring that it remains competitive.
 - Quality of service - ensuring that it continues to meet the City's expectations.