

City of Chehalis



Administrative Procurement Policy & Procedures

Effective Date: May 6, 2014

City of Chehalis Procurement Policy & Procedures

Table of Contents

POLICY	2
DEFINITIONS	2
PROCUREMENT OF GOODS AND SERVICES.....	3
CITY PURCHASES SUBJECT TO AUTHORIZATION & QUOTE/BID REQUIREMENTS	3
PUBLIC WORK PROJECTS.....	4
PREVAILING WAGE LAWS	4
EXCEPTION TO PREVAILING WAGE LAWS - SOLE PROPRIETORS, PARTNERS, AND OFFICER/OWNERS	4
PROFESSIONAL AND PERSONAL SERVICES	4
WRITTEN QUOTES	5
CONFLICTS OF INTEREST	5
BID PROCEDURES	6
EXEMPTIONS TO COMPETITIVE BIDDING REQUIREMENTS	7
SOLE SOURCE PURCHASES	7
PURCHASES INVOLVING SPECIAL FACILITIES OR MARKET CONDITIONS	7
SURPLUS PROPERTY	7
PURCHASES IN THE EVENT OF AN EMERGENCY	7
INTERLOCAL COOPERATIVE PURCHASING AGREEMENTS	8
COMPETITIVE NEGOTIAIONS - ELECTRONINC AND TELECOMMUNICATION SYSTEMS/SERVICES	8
SMALL WORKS ROSTER	9
LIMITED PUBLIC WORKS PROCESS.....	9
EXHIBITS.....	10
PURCHASE QUOTATION SHEET.....	10
SOLE SOURCE VENDOR STATEMENT.....	11
STATEMENT OF INTENT TO PAY PREVAILING WAGES AND AFFIDAVIT OF WAGES PAID UNDER \$2,500 ..	12
CHECK LIST FOR SMALL PUBLIC WORKS PROJECTS UNDER \$200,000	13
QUICK REFERENCE GUIDE TO PUBLIC WORKS CONTRACTING	15

Policy

All employees will follow established policies and procedures for procurement of equipment, materials, and services. Adherence to policies and procedures will ensure that public purchases and contracts are open, fair, and at the best value to the public.

Definitions

- A. **“Architectural and Engineering Services”** means professional services rendered by any person, other than a city employee, to perform activities within the scope of the professional practice of architecture (Chapter 18.08 RCW), professional practice of engineering and land surveying (Chapter 18.43.RCW), and/or professional practice of landscape architecture (Chapter 18.96 RCW).
- B. **“Formal Competitive Bid”** is the process of advertising and receiving sealed written bids from perspective vendors. The selection of the vendor is primarily based on the lowest cost from a responsible vendor.
- C. **“Informal Competitive Quotes”** are price quotes from vendors that are obtained using a variety of mediums such as phone, fax, e-mail, or writing. Results must be documented. The selection of the vendor is primarily based on the lowest cost from a responsible vendor.
- D. **“Interlocal Agreements”** are the exercise of governmental powers in a joint or cooperative undertaking with another public agency.
- E. **“Life Cycle Cost”** means the total cost of an item to the city over its estimated useful life, including costs of selection, acquisition, operation, maintenance, and where applicable, disposal, as far as these costs can reasonably be determined, minus the salvage value at the end of its estimated useful life.
- F. **“Nonprofessional Services”** are services that are purchased by the city in which the contractor receives specific instructions and guidance from the city and does not meet the definition of professional services, architectural and engineering services, or public work projects. Examples include machine repair, debt collection services, temporary service agencies, credit card services, equipment service agreements, auctioning services, delivery services, inspections, advertising, etc.
- G. **“On-Call Contract”** means a contract that is awarded with general provisions for the services to be rendered. As services are to be rendered, specific task orders are initiated that are to be completed by the contracting firm.
- H. **“Ordinary Maintenance”** is work not performed by contract and that is performed on a regularly scheduled basis (e.g., daily, weekly, seasonally, semiannually, but not less frequently than once per year), to service, check, or replace items that are not broken; or work not performed by contract that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary.
- I. **“Prevailing Wage”** is the hourly wage, usual benefits, and overtime paid in the largest city in each county, to the majority of workers, laborers, and mechanics performing work in the same trade or occupation. Prevailing wages are established by L & I for each trade and occupation employed in the performance of public work. The prevailing rate of wage is established separately for each county, and reflects local wage conditions.
- J. **“Professional and Personal Services”** are services provided by consultants that provide highly specialized, generally one-time expertise to solve a problem or render professional opinions, judgments or recommendations. They involve specialized skill, education, and special knowledge. The labor and skill involved to perform these types of services are predominately mental or intellectual, rather than physical or manual. Examples include graphics, design, advertising, analysis, financial expertise, accounting, artists, attorneys, bond brokers, computer consultants, insurance brokers, economists, planners, real estate services, relocation assistance, title abstracts, surveying, soils analysis, core testing, etc. This term does not include architectural and engineering services.
- K. **“Public Work,”** means all work, construction, alteration, repair or improvement other than ordinary maintenance that is executed at the cost of the state or local public agency, or paid for with private funding. This includes, but is not limited to, demolition, remodeling, renovation, road construction, building and utilities construction. (RCW 39.04.010). Public work projects include the related materials,

supplies and equipment to complete the project. Public work also includes contracts for maintenance of city facilities or real property.

- L. **“Request for Proposals (RFP)”** means a process that requests interested firms to submit a statement of their proposal for completing a project. Proposals are then evaluated based on the idea, including originality, suitability, practicality, expertise, etc. Proposals may be selected based on the quality of the proposal, experience, cost, and references.
- M. **“Request for Qualifications (RFQ)”** means a process that requests interested consultants to submit a letter of interest and a statement of their qualifications. Consultants are evaluated upon their qualifications, expertise, and references. Cost cannot be a consideration until after a consultant has been selected at which point the price may be negotiated.
- N. **“Small Works Roster”** is a roster of qualified contractor’s maintained for use in a modified formal bid process. When the contract amount for a public works project is within the limits set forth by RCW 39.04.155, a city may follow the small works roster process for construction of a public work or improvement as an alternative to formal competitive bid requirements. No quotes for multi-craft projects estimated at less than \$65,000 and single-craft projects estimated at less than \$40,000 are required per RCW 35.23.352. (The city’s small works roster can be updated throughout the year.)

Procurement of Goods and Services

City Purchases Are Subject to Authorization & Quote/Bid Requirements

General Purchases:

- \$1,000 - \$7,500 – 3 Verbal Quotes - Department Selection
- \$7,500 - \$15,000 - 3 Written Quotes, Vendor List Allowed, City Manager Approves (City Res. 10-87)
- \$15,000 - \$40,000 - Competitive Bid Required, City Manager Approves
- >\$40,001 - Competitive Bid Required, City Council Awards/City Manager Executes

Public Work Projects: (when Small Works Roster is not used)

- <\$7,500 - No Competitive Bids Required, Department Selection
- \$7,500 - \$15,000 - 3 Verbal Quotes, Department Selection
- \$15,000 - \$40,000 - 3 Written Quotes, City Manager Approves

One Craft or Trade, or Street Signalizing, or Street Lighting

- >\$40,000 - Competitive Sealed Bid; City Council Awards/City Manager Executes

Two or More Crafts or Trades

- \$40,000 - \$65,000 - 3 Written Quotes, City Manager Approves
- >\$65,000 - Competitive Sealed Bids, City Council Awards/City Manager Executes

Professional and Personal Services Contracts: (ongoing contracts must be approved by Council bi-annually)

- <\$5,000 - No Competitive Bid Required, Department Selection
- \$5,000 - \$30,000 - No Competitive Bid Required, City Manager Approves
- >\$30,000 - No Competitive Bid Required, City Council Awards/City Manager Executes

Architectural & Engineering Services: (RCW 39.80) (Contract cannot exceed 3 years without new RFQ)

- <\$5,000 - Advertise, Request for Qualifications Required, Department Selection
- \$5,000 - \$30,000 - Advertise, Request for Qualifications Required, City Manager Approves
- >\$30,000 - Advertise, Request for Qualifications Required, City Council Awards/City Manager Executes

NOTE: All contract/agreements must be executed by the City Manager with the exception of Personal Services Contracts of less than \$5,000. Purchases may not be broken into multiple projects or purchases to avoid compliance with state statutes and City policies.

Public Works Projects

Public works projects (“...all work, construction, alteration, repair or improvement **other than ordinary maintenance** that is executed at the cost of the state or any other local public agency...”) including maintenance **when performed by contract**, are governed by chapter 39.12 RCW Prevailing Wages on Public Works requirements, **regardless of contract amount**. It is the responsibility of the contracting employee to notify the vendor of prevailing wage requirements and obtain compliance documentation prior to awarding any public works contract.

If the city contracts out for work, it’s likely deemed a public work project, both for bidding and for prevailing wage purposes. Public work projects are generally done by contract and include, but is not limited to, construction, reconstruction, maintenance, replacement or repair such as demolition, remodeling, renovation, road construction, building construction, utilities construction, alterations, fencing, and tree cutting. ***If the work is performed by city workers it is not a public work project.*** (See **Exhibit 5** for Quick Reference Guide to Public Works Contracting)

Prevailing Wage Laws

Public work contracts will only be awarded to contractors who document compliance with the Washington State Prevailing Wage Law. The department head or designee managing the project is responsible for collecting compliance documents. ***Failure to follow prevailing wage laws will result in delayed or denied payment to the vendor. The City CANNOT pay for public work projects that are in violation of prevailing wage laws.***

Each and every individual contractor and subcontractor on a public work project must individually file a “Statement of Intent to Pay Prevailing Wages and an Affidavit of Wages Paid” form with L & I for each contract to perform work.

One-time only projects, less than \$2,500, require the employer/contractors and sub-contractors to fill out a “Small Works Public Works Contract Statement of Intent to Pay Prevailing Wages and Affidavit of Wages Paid” form (**Exhibit 3**). Departments will be responsible for their small works projects and for providing the intent and affidavit form to the contractor/sub-contractors to submit along with the invoice for payment. Payments to contractors will not be made until the intent and affidavit form is received by the city.

Prevailing wages are also required on all public building service maintenance (janitorial) contracts per RCW 39.12.020 and WAC 296-127-023.

Exception to Prevailing Wage Laws - Sole Proprietors, Partners, and Officer/Owners

Sole owners of their own business or partners who own at least 30 percent of a company and perform the actual work themselves on public work projects are not required to pay themselves the prevailing wage rates. These companies are still responsible for filing the Intent to Pay Prevailing Wages forms and Affidavit of Wages Paid to the Department of Labor and Industries.

Professional and Personal Services

Professional or personal services are those services involving specialized skill, education, and special knowledge. These services include, but are not limited to, architectural, engineering, design services, accounting, art, bond brokerage, insurance brokerage, legal, real estate appraisal, relocation assistance, title abstracts, surveying, soils analysis, and core testing. Procurement of professional and personal services will be in accordance with RCW 39.80.

A competitive process is not required for professional or personal services, other than professional engineering or architectural services for the design of City improvements.

Non-Architectural and Engineering Services

Professional and technical services include disciplines such as attorneys, computer programmers, financial analysts, bond counsels, artists, planners, and real estate appraisers.

Purchase of professional services requires completion of a City professional services contract that describes services to be performed and negotiated price. Contracts must be executed by the City Manager.

Prior experience with the City, time-frame for completing projects, and the value of a negotiated agreement will be considered when choosing a consultant/firm to perform professional services, as defined in this section.

Architectural, Engineering and Design Services

The City must secure the services of architects and engineers by a request for qualifications (RFQ). Chapter 39.80 RCW requires the city to publish its need for architectural or engineering services in advance, stating the general scope and nature of the project or work for which services are required. 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 the city's projected requirements for any category or type of engineering or architectural service. This also applies to services provided by architects and engineers for shared and/or private partnership projects.

The city currently advertises for architectural and engineering firms to annually submit a statement of qualification and performance data. The city may evaluate the qualifications and performance data it has on file along with the information submitted regarding a proposed project.

Following the evaluation, the city will invite one or more firms to meet with its officials to discuss the project and the relative benefits of various methods of providing the desired services. The city will then select the firm "most highly qualified" to provide the required services from among those firms. The price or cost of the service may not be considered by the city when determining which firm is the most highly qualified.

After the most qualified firm has been chosen, the city will negotiate a contract with that firm for the services at a price that it determines is 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, the city will formally terminate 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.

Architectural, engineering and design services contracts will be reviewed by the City Attorney to ensure RCW compliance and executed by the City Manager.

Written Quotes

Purchases requiring written quotes must be documented by a properly completed "Purchase Quotation Sheet." Purchase Quotation Sheets should be included with the invoice at the time of purchase. **(Exhibit 1)**

Conflicts of Interest

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

Bid Procedures

1. Publication of Notice

After City Manager authorization, the City Clerk (or designee) will publish the Call for Bids in the official newspaper or a newspaper of general circulation most likely to bring responsive bids and ensure notice is posted on the City web page, at least 13 days prior to bid submittal deadline.

2. Notice Contents

Notice or advertisement for bids should contain definite specifications and procedures for bidders to use to estimate their bids. At a minimum, a bid notice for public works must include:

- Project title
- Nature and scope of work
- Where contract documents (plans and specifications) can be reviewed or obtained
- Cost to obtain a set of contract documents
- Place, date, and time that bids are due
- Statement that a bid bond must accompany the bid
- Statement that the City retains the right to reject any and all bids and to waive minor irregularities in the bidding process
- Statement that the contract involves “public work,” and that workers shall receive the prevailing rate of wage pursuant to the Public Works Act (Chapter 39.12 RCW)
- List of the applicable prevailing wage rates
- E-Verification for all employees working on the project (Project must be greater than \$1,000 and for a period of more than 60 days)
- Statement that the City is an equal opportunity employer and invites responsive bids from all qualified responsible bidders

In addition, provide evaluation criteria; minimum qualifications; date, time, and location of pre-bid conference (if applicable); name, address, and telephone number of the project contact; and number of required copies will help bidders prepare responsive submittals.

3. Bid Opening

Bids are submitted to the City Clerk, where they are time and date stamped and processed. Bid opening results will be provided to City Manager by department manager/director or designee responsible for the project. To ensure consistency and fair process, the City Clerk’s Office will maintain appropriate documentation.

4. Report on Bids

The responsible department manager/director or designee will prepare a report and recommendation on all bids received.

5. Bid Award

Bid Award is based primarily on lowest responsive bid. Quality and expertise, however, must also be a consideration.

6. Rejection of Bids

The City reserves the right to reject any bid not in substantial compliance with the bid documents, or all prescribed public bidding procedures and requirements and may reject for good cause any or all bids upon a finding of the City that it is in the public interest to do so.

7. Contract Document Signature

The City Manager will be responsible for executing all contract documents.

Exemptions to Competitive Bidding Requirements

Section 39.04.280 RCW provides uniform exemptions to competitive bidding requirements utilized by municipalities when awarding contracts for public work and contracts for purchases.

Competitive bidding requirements may be waived by the city council of the municipality for:

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

(e) Public works in the event of an emergency. If a resolution is adopted by a governing body to waive competitive bidding requirements, the resolution must recite the factual basis for the exception.

Sole Source Purchases - Purchases that are clearly and legitimately limited to a single source of Supply: RCW 39.04.280(2)(a)

A “sole source” is characterized as meeting one or more of the following standards: (a) the City department has conducted a process whereby it can justify purchase of a specific product; (b) the City requires legitimate specifications to which only one vendor can successfully respond; or (c) the product is available only through one manufacturer (or distributor) and the manufacturer so certifies.

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

The requesting department manager/director must submit a written request for sole source procurement to the Finance Manager for review. (**Exhibit 2**) The vendor must also certify in writing that the City is getting the lowest offered price.

To engage in sole source bidding, the city council must pass a resolution that states “the purchase is clearly and legitimately limited to a single source or supply.”

Purchases Involving Special Facilities or Market Conditions: RCW 39.04.280(1)(b)

The City Manager may waive established bidding requirements if an opportunity arises to purchase favorably-priced equipment at an auction, or supplies or used goods that will be sold before the City can conduct the bid process. To use this exemption, the city must pass a resolution stating the factual basis for the exception.

Surplus Property: (RCW 39.33.010)

The City may acquire surplus property from another government without the use of bids.

Purchases in the Event of an Emergency: RCW 39.04.280(1)(b)

"Emergency" is defined as "...unforeseen circumstances beyond the control of the municipality that either: (a) presents 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."

In the event of an emergency, the city manager may act on behalf of the city council to declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts to address the emergency situation. If a contract is awarded without competitive bidding due to an emergency, the city council

must pass a resolution during an open public meeting to declare the existence of an emergency no later than two weeks following the award of the contract(s).

Checking with the State Auditor's Office before declaring the emergency is also recommended.

Interlocal Cooperative Purchasing Agreements: RCW 39.34

Pursuant to RCW 39.34, bidding is not required when purchases of materials, supplies, or equipment are made under State standard contracts or similar contracts executed by and through other local governments which have complied with state bidding requirements. The other government's bid process must have been conducted within the previous 12 month period to be valid for use by the City.

Approval and authority for entering into an Interlocal Cooperative Purchasing Agreement will be determined by the anticipated cost of the procurement. Blanket Interlocal Cooperative Purchasing Agreements where the costs of the potential purchases are not known will be treated as purchases over \$15,000.

In addition, the City may make a bid call with another government entity as a joint purchase complying with the bid requirements of the participating jurisdictions. Purchases made pursuant to any such agreement shall be separately invoiced to the respective purchasers in accordance with the purchases made by each; and each such purchaser shall be responsible for payment for its own purchases only.

When practical, the City should include language in its solicitations that allows other public agencies to purchase from the City's bids or quotations, provided that the other agencies allow similar rights and reciprocal privileges to the City.

Competitive Negotiations – Electronic and Telecommunication Systems/Services: RCW 39.04.270

The City may acquire electronic data processing or telecommunication equipment, software, or services through competitive negotiation rather than through competitive bidding.

"Competitive negotiation," for the purposes of this section, shall include, as a minimum, the following requirements:

- (a) A request for proposal (RFP) shall be prepared and submitted to an adequate number of qualified sources, as determined by the municipality in its discretion, to permit reasonable competition consistent with the requirements of the procurement. Notice of the RFP must be published in a newspaper of general circulation in the municipality at least thirteen days before the last date upon which proposals will be received. The request for proposal shall identify significant evaluation factors, including price, and their relative importance.
- (b) The municipality shall provide reasonable procedures for technical evaluation of the proposals received, identification of qualified sources, and selection for awarding the contract.
- (c) The award shall be made to the qualified bidder whose proposal is most advantageous to the city with price and other factors considered. The city may reject any and all proposals for good cause and request new proposals.

"Electronic data processing" includes, but is not limited to, systems that comprise a combination of equipment or units to provide input of source data, and storage and processing of data and output in predetermined form, including a central processing unit (CPU) or main frame (RCW 36.92.020). In other words, hardware, software, firmware, "smart cards," or any combination thereof.

Eligible purchases (RCW 39.35A.020(1)) are those for "equipment, materials, or supplies that are expected, upon installation, to reduce the energy use or energy cost of an existing building or facility, and the services associated with the equipment, materials, or supplies, including but not limited to design, engineering, financing, installation,

project management, guarantees, operations, and maintenance.” (RCW 39.35A.020(4)) The procurement may be structured on a performance basis, rather than a design specification, so that the City may specify a result, rather than the type or model of equipment.

The approval requirements found in Authorization & Quote/bid requirements as listed on page 3 also apply to procurement by competitive negotiation. Requisitions for electronic data processing systems shall be routed through and reviewed by the Finance Manager or designee for compatibility certification prior to purchase. This will allow for the appraisal of the present supply of devices, and the possible elimination of an unnecessary expenditure of City funds.

Small Works Roster

RCW 39.04 provides uniform small works roster provisions to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property. The Small Works Roster may be used for public work projects valued below \$200,000 per City Ordinance No. 714-B. (See **Exhibit 4** – Check List)

- For each project \$200,000 or less, they city may use the small works roster to secure telephone or written quotations from all appropriated contractors on the small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster. Whenever possible, at least one of the contractors invited to submit a proposal will be a minority- or woman-owned firm.
- All invitations shall include an estimate of the scope and nature of the work to be performed and materials and equipment to be furnished; detailed plans and specifications need not be included in the invitation.
- When awarding a contract for public work or improvement, the City shall award the contract to the contractor submitting the lowest responsible bid.
- Once a contractor has been invited to submit a proposal, that contractor will not be offered another opportunity until all other appropriate contractors on the Roster have been given the opportunity to submit a proposal on a project.

Limited Public Works Process

The “limited public works process” is a type of small works roster process that applies only to contracts estimated to cost less than \$35,000 (RCW 39.04.155(3)).

- The city must solicit electronic or written quotations from a minimum of three contractors from the appropriate small works roster.
- The city will award the contract to the lowest responsive bidder, unless there is a compelling reason to reject all bids and cancel the solicitation.

Contractors will be added to the Small Works Roster at any time during the year upon completion of the Small Works Roster Application Form and submittal of necessary records. Forms can be obtained from the city website or from the Public Works Department.

Vendors/Contractors selected from the Small Works Roster are not relieved from observing applicable legal requirements such as Performance Bond, Prevailing Wage, Labor and Material Bonding, etc. Departments using vendors and contractors off the Small Works Roster are responsible to see that these items are maintained.



PURCHASE QUOTATION SHEET

Date _____

Purchases from \$7,500 to \$15,000 require three (3) quotations which will become a part of the purchase request.

Description of Item:

Business Name:		Quote:
Contact:		Sales Tax:
Phone Number:		TOTAL

Business Name:		Quote:
Contact:		Sales Tax:
Phone Number:		TOTAL

Business Name:		Quote:
Contact:		Sales Tax:
Phone Number:		TOTAL



Sole Source Vendor Statement

To: Finance Manager & Accounts Payable

From: _____
(Department name and name of person signing this form)

To Whom It May Concern:

This form justifies the proposed sole source purchase described below. In accordance with State of Washington regulations, City of Chehalis must procure material, equipment, supplies and services by competitive means when the purchase is in excess of \$10,000. However, in unusual circumstances the competitive process may be waived and sole source purchasing approved, provided the requesting party can adequately justify its use. In any such case where the purchase exceeds \$10,000, the vendor shall certify in writing that the City is getting the lowest price it offers. Purchases in excess of \$10,000 from a sole source vendor require prior review of the Finance Manager or designee.

“Sole source” means the product is unique and can be purchased from only one vendor.

If one of the reasons 1 through 4 below applies to this purchase, you need only to check the applicable reason and describe item being purchased below. If reasons 5 or 6 apply, please provide the item description and explanation below.

1. Proprietary. The item is under patent, copyright, or proprietary design.
2. Replacement parts. The purchase is for replacement parts or components.
3. Technical service. The purchase is for technical service in connection with the assembly installation or servicing of equipment of a technical or specialized nature.
4. Continuation of work. We now require additional work, additional item or additional service, but we did not know it would be needed when the original order was placed.
5. Urgent requirement. Need must be met immediately. Please explain below the nature of the urgency, including an explanation of why the purchase is critical and why only the suggested vendor can meet it.
6. Exclusive capability. Only one supplier qualified. No other suppliers known. Please explain below.

Item Description:

If explanations 5 or 6 were used, please provide an explanation below. Explain why the identified vendor is recommended:

Signed: Department Manager or Designee

Date

Reviewed by: Finance Manager or Designee

Date

SMALL WORKS PUBLIC WORKS CONTRACT (\$2,500 or less including tax)				STATEMENT OF INTENT TO PAY PREVAILING WAGES AND AFFIDAVIT OF WAGES PAID	
This form must be typed or printed in ink and completed in full or it will be returned for correction. Large, bold numbers match instructions on the back of this form. Shaded areas are for the Awarding Agency and Labor & Industries (L&I) use only.				No filing fee	
Contractors may obtain this form from the CONTRACT AWARDING AGENCY only. Contractors must complete and return the form to the CONTRACT AWARDING AGENCY. If the agency approves the form, it will send a copy of the approved form to L&I within 30 days of the date the agency received the form from the contractor.					
1 Contract Awarding Agency		Project Name			
Awarding Agency Address		Contract or Purchase Order Number			
City	State	ZIP+4	County Where Work Was Performed	City Where Work Was Performed	
Indicate Total Dollar Amount of Your Contract - Include Sales Tax (No "Time & Materials" allowed) \$			Date Contract Awarded (mm/dd/yy)	Date Work Completed (mm/dd/yy)	
2 Number of Owner/Operators who own at least 30% of the company who performed work on this project: (check one box) <input type="checkbox"/> None (0) <input type="checkbox"/> One (1) <input type="checkbox"/> Two (2) <input type="checkbox"/> Three (3)					
3 Did employees perform work on this project? (check one box) <input type="checkbox"/> Yes <input type="checkbox"/> No (If "Yes" - please list below)					
4 Crafts/Trades/Occupations and Apprentices – For Apprentices enter the name, registration number, trade, dates worked on project, stage of progression, wage and usual benefit for each apprentice.		5 Number of Workers in Each Trade	6 Total # of Hours Worked in Each Trade	7 Rate of Hourly Wages	8 Rate of Hourly Usual ("Fringe") Benefits
9 Contractor Company Name		Contractor Address			
Contractor Phone Number	Contractor Email Address		City	State	ZIP+4
Contractor Registration Number	Contractor UBI Number		Contractor Industrial Insurance Account Number		
I hereby certify that the above information is correct and that all workers I employed on this Public Works Project were paid no less than the Prevailing Wage rate(s) as determined by the Industrial Statistician of the Department of Labor & Industries. I understand that contractors who violate Prevailing Wage laws, e.g., apply incorrect classifications/scopes of work for tasks performed on the project, fail to pay correct prevailing wage rates, etc., are subject to fines and/or debarment and will be required to pay any back wages due workers. See RCW 39.12.065.					
Contractor Signature		Date	Title		
PLEASE NOTE: <ul style="list-style-type: none"> In approving this form, the Awarding Agency must verify that the Contractor's Registration or License is current and valid. The contract dollar amount indicated shall only be for a single payment in full on a single contract with the Awarding Agency. NO subcontractors. For information on potential Awarding Agency liability regarding use of this alternate filing process, see RCW 39.12.040(2)(d). RCW 39.12.040(2)(e): Nothing in this section shall be interpreted to allow an Awarding Agency to subdivide any public works project of more than two thousand five hundred dollars for the purpose of circumventing the procedures required by RCW 39.12.040(1). 					
10 Approval: Name and Title of Individual Authorized to Approve This Form on Behalf of the Awarding Agency (type or print)		Phone Number		Email Address	
Signature of Individual Authorized to Approve This Form on Behalf of the Awarding Agency			Date		
Received: Department of Labor & Industries					
Date: _____					



Exhibit 4

**Check List for Small Public Works
Projects \$200,000 or Less**

(This Check List should be used (in sequential order) for all public work excluding ordinary maintenance items)

Project Name: _____

Start Date: _____

- Develop specification and/or scope of work in compliance with standards specifications manual; include prevailing wage, performance and payment bonds, E-Verification, and retainage requirements
- Send specifications and scope of work to at least five (5) contractors listed on the Small Works Roster for projects over \$35,000; and to at least three (3) contractors for projects under \$35,000

Contractor Name	Phone	Email	Date Contacted	Date Received	Bid Amount

- Document all responses, even non-responses, with date contacted and date received; allow 7 to 14 days for response time for projects over \$35,000
- Award Project to the lowest responsible bidder: _____
- Notify all contractors that were not selected of bid results for projects over \$35,000
- Draft Contracts in compliance with standards specifications manual; include prevailing wage, performance bonds, E-Verification, and retainage requirements
- Have City Manager execute contract agreements
- Obtain L&I Intent to Pay Prevailing Wages Form from Contractor; Alternate process may be used for projects under \$2,500
- Obtain Performance Bond
For projects under \$35,000 50% retainage can be used in lieu of Performance Bond
- Obtain Certificate of Liability Insurance from Contractor
- Issue Notice to Proceed
- Inspect work and materials to ensure it has been completed per the specifications and scope of work

- Obtain invoice to include sales tax
- Process invoice for payment and prepare retainage voucher
Retainage is 5% unless no Performance Bond was obtained for projects under \$35,000
- Send Notice of Completion to Department of Revenue for projects over \$35,000
- Obtain L&I Affidavit of wages paid from contractor, or off of the L&I website
- Obtain Department of Revenue Payment of Excise Taxes by Public Works Contractor (Projects over \$35,000)
- Obtain Employment Security Department Certificate of Payment of Contributions, Penalties, and interest on public work contracts over \$35,000
- Obtain L&I release for payment on workers' comp. insurance premiums on projects over \$35,000
- Release and pay retainage
- Close and file project per the Washington Secretary of State Records Retention Manual



Quick Reference Guide to Public Works Contracting

Competitively Bid Public Work Projects **

- Over \$200,000, (But can be for smaller projects)
- Formal Advertisement Required
- Bid Bonds Required
- Sealed Bids Required
- Public Bid Opening Required
- Formal Award Required
- Performance and Payment Bonds Required
- Retainage Required
- Payment of Prevailing Wages Required

Small Works Roster Projects **

- Under \$200,000
- No Advertisement Required, Just Notice to Appropriate Contractors on the Small Works Roster
- Bid Bonds Optional
- Electronic, Faxed or Telephone Quotes Allowed
- Informal Quote Opening(s)
- Award Can Be Delegated
- Performance and Payment Bonds Required
- Retainage Required
- Payment of Prevailing Wages Required

Limited Public Work Projects **

- Under \$35,000
- No Advertisement Required, Just Notice to Appropriate Contractors on the Small Works Roster
- Bid Bonds Optional
- Electronic, Faxed or Telephone Quotes Allowed
- Informal Quote Opening(s)
- Award Can Be Delegated
- Performance and Payment Bonds Can Be Waived, But Not Recommended
- Retainage Can Be Waived
- Payment of Prevailing Wages Required

Emergency Contracts

- Under RCW 39.04.280(1) (But Read Parts 2 & 3)
- No Advertisement Required
- Bid Bonds are Impractical
- Electronic, Faxed, or Telephone Quotes Allowed
- Informal Quote Opening(s)
- Award Can be Delegated
- Payment of Prevailing Wages Required
- Performance and Payment Bonds Can Be Waived, But Not Recommended
- Retainage May Be Waived

Professional Services Contracts

- No Competitive Bid Required – See page 3 & 4 of Administrative Procurement Policy for requirements and selection process

Architectural & Engineering Services

- Advertisement to Request Qualifications Required – See Page 3 & 5 of Administrative Procurement Policy for requirements and selection process

**** City Ordinance No. 857-B - E-Verification is required on all public work projects equal or greater than \$1,000. This procedure does not apply to contracts that are for a period of performance of less than 60 days, or commercially available off-the-shelf (COTS) items as defined by federal law.**