



**CITY OF STANWOOD  
CITY COUNCIL  
AGENDA STAFF REPORT**

<b>SUBJECT: Proposed resolution to adopt a uniform procurement policy</b>	<b>FOR AGENDA OF:</b> January 24, 2013 Finance Committee  <b>DEPARTMENT OF ORIGIN:</b> Finance
<b>ATTACHMENT(S):</b> Proposed Resolution No. 2013-XX Current Policy – Attachment No. 1	<b>DATE SUBMITTED:</b>  <b>CLEARANCES: (check box)</b> <input type="checkbox"/> City Attorney _____ <input type="checkbox"/> City Clerk/HR _____ <input type="checkbox"/> Community Development _____ <input type="checkbox"/> Fire _____ <input type="checkbox"/> Finance _____ <input type="checkbox"/> Police _____ <input type="checkbox"/> Public Works _____  <b>APPROVED FOR SUBMITTAL BY THE CITY ADMINISTRATOR:</b> _____
<b>COST OF PROPOSAL: None</b>	<b>AMOUNT BUDGETED: N/A</b>

**SUMMARY STATEMENT**

During their most recent audit, the State Auditor issued the following statement in a management letter, expressing concerns regarding procurement in the City of Stanwood:

Procurement

During our audit, we found the City did not procure or administer public works projects in accordance with state law. We audited seven projects, totaling \$1,669,784. We selected four public works projects with various bid requirements based on the dollar threshold, including limited public works projects, small works roster projects, and projects that required formal bids. Additionally we selected all three professional service engineering projects. We found the City did not:

- Maintain adequate documentation to show it solicited quotations for two projects, as required by state law (RCW 39.04.155). Further, the City could not demonstrate its records contained all necessary information

including contractor name, registration number, amount of the contract, description of work performed and the date the contract was awarded, as required by state law (RCW 39.04.155(3)).

- Obtain “Statements of Intent to Pay Prevailing Wages” before making payments on two projects, as required by state law (RCW 39.12.040(1). Additionally, the City did not ensure that “Affidavits of Wages Paid” were received prior to releasing retainage, as required by state law (RCW 39.12.040(2)b).
- Withhold a 5 percent retainage fee or receive a retainage bond from the contractor, on one project, as required by state law (RCW 60.28.011).
- Submit notification of completion of contracts over \$35,000 to the State Department of Revenue, Employment Security Department, and the Department of Labor & Industries, on one project as required by state law (RCW 60.28.051).

***We recommend the City develop and follow policies and practices that ensure public work projects are procured and administered according to state law (emphasis added).***

## **DISCUSSION**

The City currently does not have a comprehensive procurement policy. In order to comply with the various and sundry federal and state procurement laws and regulations, and in accordance with the recommendation made by the State Auditor, it is necessary to adopt and follow a uniform procurement policy.

Staff has collaborated to prepare such a policy in draft form, and now submits it to the Finance Committee for further review and discussion.

The larger policy question for Council is: how much control and oversight does it want to have over the procurement process? Granting high levels of authority to staff can improve operating efficiencies, but reduce the level of control and oversight by Council. On the other hand, if staff's level of authority is set too low, Council can become overburdened in dealing with routine operational matters, and the procurement process would become slower and less efficient.

The proposed policy has been written with an eye toward achieving the balance between Council control and oversight while maintaining staff operating efficiencies. State law controls most of the dollar thresholds throughout this proposed policy, and therefore they cannot be changed. However, Council may choose to set authorization limits lower than those listed if it feels the need for more oversight of the procurement process.

This policy has been prepared to align state procurement law with staff authority limits.

### **FINANCIAL IMPACT**

There is no financial impact to the City to adopt a uniform procurement policy. The policy would, however, promote better control and compliance with procurement laws and regulations.

### **COMMITTEE RECOMMENDATIONS**

None at this time.

This is being brought to the Finance Committee in draft form for its review and input with the intention of bringing a final, proposed procurement policy resolution to Council for adoption in the first quarter of 2013.

### **CITY COUNCIL OPTIONS**

1. Adopt proposed Resolution No 2013-XX as presented.
2. Adopt proposed Resolution No 2013-XX with amendments which may raise, lower, or maintain the various authorization levels and thresholds so long as they conform to federal and state laws.

### **RECOMMENDED MOTION**

None at this time.

**CITY OF STANWOOD  
Stanwood, Washington**

**RESOLUTION 2013-XX**

A RESOLUTION OF THE CITY OF STANWOOD, WASHINGTON, ADOPTING A UNIFORM PROCUREMENT POLICY.

WHEREAS, the City of Stanwood procures goods and services on a regular basis for the benefit of its citizens, and

WHEREAS, it is necessary to protect and advance the public interest by providing for the fair and equitable treatment of all persons involved in the purchasing process, and

WHEREAS; it is necessary to maximize the purchasing value of public funds; by fostering effective broad-based competition in the purchase of goods, the acquisition of services, and the performance of Public Works, and

WHEREAS, it is necessary to provide safeguards to maintain a purchasing system of quality and integrity, and

WHEREAS, the City wishes to comply with federal, state and local laws and regulations regarding the procurement process.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STANWOOD, WASHINGTON, AS FOLLOWS:

**CHAPTER 1. PROCUREMENT POLICY.** A procurement policy of the City of Stanwood is hereby adopted, and which shall read as follows:

**I. GENERAL PROVISIONS**

- 010 Purpose
- 020 Definitions
- 030 Application
- 040 Designees
- 050 Guidelines
- 060 Federal Funds
- 070 Grants
- 080 Bids to Comply With Regulations
- 090 General Standards for Determining Lowest Responsible Bidder
- 100 Professional and Personal Service Agreements
- 110 Equipment Lease Agreements
- 120 Purchase of Materials, Supplies, or Equipment – Vendor Lists
- 130 Approval of Contracts for Materials, Supplies, Equipment, and Services – Execution

- 140 Minor Contracts – Materials, Supplies, Equipment,  
and Services - Execution
- 150 Computers and Telecommunications Systems and Equipment
- 160 Cooperative Purchasing
- 170 Purchase At Auctions
- 180 Sole Source Procurement
- 190 Emergency Procurements
- 200 Multi-Term Contracts
- 210 Administrative Guidelines, Policies and Procedures – Purchases for  
Special Events
- 220 Contracts With Community Service Organizations for Public  
Improvements
- 230 Other Contracts

## **II. PUBLIC WORK**

- 240 Public Work – Small Works Roster – Projects Less than \$300,000
- 250 Limited Public Works – Projects Less Than \$35,000
- 260 Award of Public Works Contracts
- 270 Determining Lowest Responsible Bidder for Public Work Exceeding  
\$40,000 if One Craft or Trade is Involved, or \$65,000 if Multiple  
Drafts or Trades Are Involved, or for any Public Work Sealed Bid  
Process
- 280 Estimating Costs of Public Works Contracts.
- 290 Retainage for Public Work
- 300 Public Work Bonds
- 310 Prevailing Wages on Public Work
- 320 Public Work Change Orders and Contract Amendments.
- 330 Final Approval of Public Work Contracts
- 340 Engineering Administration for Public Work
- 350 Architectural-Engineering (A-E) Services for Public Work
- 360 Property Acquisition

## **III. SALE OF SURPLUS CITY OF STANWOOD PROPERTY**

- 370 Declaration of Property as Surplus
- 380 Disposal of Property Declared Surplus
- 390 Fair Market Value to be Obtained for Surplus Property
- 400 Prohibited Transactions

## **I. GENERAL PROVISIONS**

### **Section 010 – Purpose.**

The purpose of this policy is to protect and advance the public interest by (1) providing for the fair and equitable treatment of all persons involved in the purchasing process; (2) maximizing the purchasing value of public funds; by fostering effective broad-based competition in the purchase of goods, the acquisition of services, and the performance of Public Works, and (3) providing safeguards for maintaining a purchasing system of quality and integrity.

### **Section 020 - Definitions.**

As used in this policy, the following terms and phrases shall have the following meanings.

- A. "Contract" means an agreement between two or more parties creating obligations to do, or not to do, certain things when such obligations are enforceable or otherwise recognizable at law. Contracts may be oral or written.
- B. "Gross Cost" means the total cost to acquire a good or service, including taxes, license fees, transportation fees, warranty fees, and other expenses.
- C. "Ordinary Maintenance" shall mean work not performed by contract and that is performed 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 not performed by contract that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary.
- D. "Personal Services" shall mean a Contract in which the contractor provides services to the City to accomplish a specific study, project, task or other work statement which is not subject to the supervision and control of City employees.
- E. "Provider" shall mean a licensed and bonded contractor or otherwise qualified individual or company that provides Public Work services.
- F. "Public Work" shall have the same meaning as set forth in RCW 39.04.010, and shall include all work, construction, alteration, repair, or improvement other than Ordinary Maintenance, executed at the cost of the City.
- G. "Professional Services" shall mean those services involving skill, education and special knowledge and where the work is predominately mental, intellectual, or artistic, rather than physical and mechanical.

### **Section 030 - Application.**

This policy applies to contracts by the City of Stanwood for: (1) purchases of materials, supplies, equipment, and services, and (2) Public Work. This chapter does not apply to the reimbursement of business expenses incurred by employees.

### **Section 040 - Designees.**

Any reference to the mayor, city administrator, or finance director includes their respective designees.

### **Section 050 - Guidelines.**

The city administrator is authorized to establish general provisions to serve as guidelines in implementing this chapter.

### **Section 060 - Federal Funds.**

When a purchase involves the expenditure of federal funds, purchasing shall be conducted in accordance with any applicable federal law or regulation, which applicable federal law or regulation shall supersede the provisions of this chapter. For the purposes of this section, the term "federal law or regulation" shall include those rules and regulations adopted by any state agency and made applicable to the City, or made applicable to a particular purchase to be made by the City, in order to conform either with federal law or to enable the City of Stanwood or the State to remain eligible for federal grant funding.

### **Section 070 - Grants.**

- A. Nothing in this chapter shall prevent the City from complying with the terms and conditions of any grant, gift or bequest which is otherwise consistent with law.
- B. The mayor or his/her designee is authorized to apply for grants in any amount, and to execute grant agreements for grants of not more than fifteen thousand dollars (\$15,000). The mayor or his/her designee shall notify the city council of such grant contracts.
- C. Grant agreements for grant funds in excess of \$15,000 must be approved by the city council.

### **Section 080 - Bids to Comply With Regulations.**

All bids offered by persons, associations or corporations desiring to sell or supply material, equipment, or supplies to, or to construct a public work or improvement for, the City, shall comply with all relevant state laws, the terms of which shall be deemed included in such specifications whether or not they are expressly set out therein.

### **Section 090 - General Standards for Determining Lowest Responsible Bidder.**

In determining lowest responsible bidder, in addition to price, the following may be considered:

- A. The ability, capacity, and skill of the bidder to perform the contract;
- B. Whether the bidder can perform the contract promptly, or within the time specified, without delay or interference;
- C. The reputation, experience and efficiency of the bidder;
- D. The quality of performance of previous contracts by the bidder;
- E. The previous and existing compliance by the bidder with laws and ordinances relating to contracts or services;
- F. The sufficiency of the financial resources and ability of the bidder to perform the contract;
- G. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- H. The number and scope of conditions attached to the bid.

### **Section 100 - Professional and Personal Services Agreements.**

The mayor or his/her designee may promulgate procedures and standards for the selection of consultants and the approval of contracts for Personal Services and Professional Services, including contracts for architectural, engineering, legal, financial, insurance, and similar consulting services, which procedures and standards shall be consistent with the provisions of this Chapter. Contracts for architectural, engineering, and land surveying services, as those services are defined in Title 18 RCW, shall only be awarded in accordance with Chapter 39.80 RCW. Contracts for publishing services shall be awarded after a competitive bid in accordance with the provisions of RCW 35.23.352 (7).

## **Section 110 - Equipment Lease Agreements.**

- A. Except as set forth immediately below, lease agreements for equipment are not subject to the requirements of this policy, but shall be subject to such procedures as are established by the mayor or his/her designee. All such agreements in excess of fifteen thousand dollars (\$15,000) must be approved by the city council. Lease agreements shall comply with any applicable state law regarding debt capacity.
  
- B. Notwithstanding the foregoing, lease agreements that include a provision in which ownership of the item leased will vest in the City of Stanwood during or at the conclusion of the lease shall be subject to the provisions of this chapter, and in particular those provisions governing competitive bidding. In determining the value of such leased item, the cost of the item shall be the total value of the item to be leased, and not the yearly lease payment.

## **Section 120 - Purchase of Materials, Supplies or Equipment – Vendor Lists (RCW 39.04.190 – Purchase contract process – Other than formal sealed bidding).**

- A. Large Purchases (more than \$7,500). Materials, supplies, and equipment may only be acquired by the City through the use of formal sealed bidding procedures when the gross cost of such materials, supplies, or equipment, including tax and freight, is greater than seven thousand five hundred dollars (\$7,500). Provided that the purchase of materials, supplies, or equipment estimated to cost between seven thousand five hundred dollars (\$7,500) to fifteen thousand dollars (\$15,000) may be accomplished through utilizing the vendor list procedures set forth in subsections B through F below, or alternatively, by utilizing the vendor list as provided by Municipal Research and Services Center of Washington (MRSC).
  
- B. Small Purchases by Informal Quote (\$2,500 to \$7,500). Materials, supplies and equipment with a gross cost, including sales tax and freight, of at least two thousand five-hundred dollars (\$2,500) and up to seven thousand five-hundred dollars (\$7,500), may be purchased by department heads upon obtaining written documentation of at least three (3) informal quotes, which shall be submitted to the city administrator for approval prior to purchase. The city administrator, at his/her discretion, may reduce or waive the number of informal quotes in the case of emergency or lack of available qualified vendors.
  
- C. Small Purchases by Department Head Approval (less than \$2,500). Materials, supplies and equipment with a gross cost, including sales tax and freight, less than two thousand five-hundred dollars (\$2,500) may be purchased by department heads or their designees with no written informal quotes. However, the city administrator may also require written informal quotes for materials, supplies and equipment costing less than two thousand five-hundred (\$2,500).
  
- D. Publication of Notice. At least twice a year, the finance director shall publish, in the official newspaper, notice of the existence of the roster of vendors for

materials, supplies, and equipment, and shall solicit names of vendors for the roster.

E. Price Quotations. The City shall use the following process to obtain price quotations from vendors for the purchase of materials, supplies, or equipment:

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;
2. A City representative shall make a good faith effort to contact at least three of the vendors on the roster established according to subsection B above and, reading from the written description, obtain telephone quotations from the vendors on the required materials, supplies, or equipment;
3. At the time such telephone, written or electronic quotations are solicited, the City representative shall not inform a vendor of any other vendor's bid on the materials, supplies, or equipment;
4. A written record shall be made by the City representative of each vendor's bid on the materials, supplies, or equipment, and of any conditions imposed on the bid by such vendor;
5. All of the written records identifying the results of the telephone bids or quotations for purchase over seven thousand five hundred dollars (\$7,500) but less than \$15,000, shall be compared for direct and indirect costs, and a recommendation for purchase from the lowest responsible bidder made to the department director. The department director shall authorize the purchase.
6. Records of the price quotations for purchases of materials, supplies, or equipment estimated to cost more than \$7,500 but less than \$15,000, along with relevant supporting documentation, shall be kept on file in the department overseeing the purchase, in accordance with document retention guidelines.

F. Determining Lowest Responsible Bidder for Purchases of Material, Supplies, or Equipment Estimated to Cost More than \$7,500. The City shall purchase the materials, supplies, or equipment from 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 may call for new bids. The following factors, in addition to price, may be taken into account by the City in determining the lowest responsible bidder:

1. Any preferences provided by law to State of Washington products and vendors;
2. The quality of the materials, supplies, and equipment to be purchased;

3. The conformity of the materials, supplies, and equipment to the City's specifications;
  4. The purposes for which the materials, supplies, and equipment are required;
  5. The times for delivery of the materials, supplies, and equipment; the character, integrity, reputation, judgment, experience, and efficiency of the bidder; and
  6. Such other information as may have a bearing on the decision to purchase the materials, supplies, or equipment.
- G. Award. Immediately after the contract award is made from a vendor list, the written record of each vendor's bids or quotations shall be open to public inspection and available to the public by telephone inquiry. Any contract awarded under this subsection need not be advertised.
- H. Posting. A list of all contracts awarded under the above procedures must be posted at a public place within City Hall once every two (2) months. The list shall contain the name of the vendor awarded the contract, the amount of the contract, a brief description of the items purchased under the contract, and the date it was awarded. The list shall also state the location where the bid quotations are available for public inspection.

**Section 130 - Approval of Contracts for Materials, Supplies, Equipment, Services, or Public Work.**

The mayor or his/her designee shall have the authority to award any contract for materials, supplies, equipment, services, or public work that is not subject to public competitive bidding requirements, provided that the acquisition of such goods or services has been approved by the city council in the annual budget, and provided further that the finance director certifies that funds are available.

**Section 140 - Minor Contracts – Materials, Supplies, Equipment, and Services – Execution.**

- A. For the purposes of this Section, a "minor contract" means a contract that involves a Gross Cost of seven thousand five hundred dollars (\$7,500) or less within a twelve-month (12) period and is of a routine nature.
- B. The city council hereby directs and authorizes the mayor to execute minor contracts for goods and services other than Public Works, without individual approval of each contract by the city council. The finance director is authorized to attest such signatures. The mayor may, upon his or her own volition, place any specific contract on the agenda for council authorization as he or she may see fit.

- C. The mayor is hereby authorized to delegate all or a portion of the mayor's responsibility to execute minor contracts to such City officers as the mayor determines to be in the best interests of the City.
- D. Notwithstanding the foregoing, Contracts which were publicly advertised and bid require prior city council approval prior to execution by City officers.

### **Section 150 - Computers and Telecommunications Systems and Equipment.**

Notwithstanding any provision of this policy to the contrary, electronic data processing equipment, including computers, telecommunication equipment, and/or software may be acquired by the City through a competitive negotiation in accordance with the provisions of RCW 39.04.270.

### **Section 160 - Cooperative Purchasing.**

To the greatest extent allowed by law, the city administrator is hereby authorized to join in cooperative purchasing arrangements with other public agencies that are similarly authorized to join in cooperative purchasing arrangements, when the best interests of the City would be served thereby.

- A. Cooperative purchasing arrangements entered into under the authority of Chapter 39.34 RCW – Interlocal Agreements – shall comply with the requirements of that chapter. Any other cooperative purchasing agreement shall set forth fully the purposes, powers, rights, objectives and responsibilities of the contracting parties and shall be governed by the requirements of state law in regard to competitive bidding when applicable.
- B. Cooperative purchasing arrangements entered into under the authority of Chapter 39.34 RCW shall be approved by the city council, and recorded with the finance director of the City.

### **Section 170 - Purchase at Auctions.**

- A. Pursuant to RCW 39.30.045, The mayor and those City of Stanwood officers identified in Section 040 of this policy to whom the mayor has delegated explicit authority may purchase any supplies, equipment, or materials at auctions conducted by the government of the United States or any agency thereof, any agency of the State of Washington, any municipality or other government agency, or any private party without being subject to public bidding requirements if the items can be obtained at a competitive price.
- B. For the purpose of this section, a “competitive price” shall be deemed to be the amount of money or other consideration a willing buyer would be reasonably expected to pay to a willing seller for similar goods on the open market, inclusive of taxes, fees, and other expenses inherent in the acquisition of the good or

goods, taking consideration of the age, expected useful life, condition, availability of the goods, and other material factors.

- D. For those goods which are to be expected to be acquired at auction for a price in excess of fifteen thousand dollars (\$15,000), the approval of the city council shall be obtained prior to the auction.

### **Section 180 - Sole Source Procurement.**

- A. Brand names. The City of Stanwood may procure goods by specifying a particular brand name, provided that the responsible City officials have exercised their judgment and determined that a certain brand name is of higher quality or is better suited to the municipality's needs.
- B. Monopolies and sole source. Pursuant to RCW 39.04.280, competitive bidding requirements may be waived for the purchase of goods, material, equipment, or supplies when there is clearly and legitimately only one (1) source capable of supplying the goods in a timely fashion, and when any advertisement for bids would result in a single bid. In accordance with that statute, this section shall serve as the City's written policies governing the acquisition of goods from a sole source vendor.
  - 1. In the event the material, equipment, supplies, or goods are available from only one (1) supplier, written documentation demonstrating the appropriateness of sole source procurement shall be submitted to and approved by the mayor prior to the acquisition of the material, equipment, supplies, or goods. The mayor may delegate the authority to determine the propriety of sole source procurement to the city administrator. Such written documentation shall recite the factual basis for the exception from competitive procurement. The city administrator's approval shall constitute authorization to conduct negotiations as appropriate as to price, delivery, and terms.
  - 2. The mayor may request the city council to waive the requirements for seeking competitive bids when material, equipment, supplies, or goods are available from only one (1) supplier by resolution.
  - 3. Except in the event of an emergency, the contract and the basis for the exception from competitive procurement shall be recorded and open to public inspection immediately after its award.
- C. Special Market Conditions. Pursuant to RCW 39.04.280, competitive bidding requirements may be waived for the purchase of goods, material, equipment, or supplies when special market conditions exist. In accordance with that statute, this section shall serve as the City's written policies governing the acquisition of goods when special market conditions exist.

1. In the event that market conditions exist that would allow the City to either take advantage of a favorable price for material, equipment, supplies, or goods for a limited period of time, or prevent the City from incurring additional expenses when prices for material, equipment, supplies or goods are expected to rise prior to the ability of the City to complete a competitive bid process, then The mayor or his/her designee is hereby authorized to waive competitive bidding requirements. Written documentation demonstrating that special market conditions exist shall be submitted to and approved by the city administrator prior to the acquisition of the material, equipment, supplies, or goods. Such written documentation shall recite the factual basis for the exception from competitive procurement. The city administrator's approval shall constitute authorization to conduct negotiations as appropriate as to price, delivery, and terms.
2. The city administrator may request the city council to waive the requirements for seeking competitive bids when a special market condition exists.
3. Except in the event of an emergency, the contract and the basis for the exception from competitive procurement shall be recorded and open to public inspection immediately after its award.
4. The mayor's designee, as identified herein, shall have the same meaning as described in Section 040 of this policy.

#### **Section 190 - Emergency Procurements.**

- A. For the purpose of this policy, an "Emergency" shall be defined as unforeseen circumstances beyond the control of the City, its officers and agents, that either: (1) present a real, immediate threat to the proper performance of essential functions; or (2) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.
- B. Notwithstanding any other provisions of this policy, the mayor or his/her designee may make or authorize others to make procurements of Public Works, materials, supplies, or equipment, without complying with the requirements of this chapter when there exists an emergency; provided, that such emergency procurements shall be made with such competition as is practicable under the circumstances.
  1. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file.
  2. For any emergency contract exceeding \$15,000 or for which insufficient funding has been approved by the Council in the City's annual budget, a record of each emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the contract, and a listing of the item(s) procured under the contract, which shall be reported to the city council at the next subsequent meeting.

## **Section 200 - Multi-Term Contracts.**

- A. Specified Period. Unless otherwise provided by law, a contract may be entered into for any period of time deemed to be in the best interests of the City, so long as funds are available for the current budget year at the time of contracting. Payment and performance obligations for succeeding budget years are subject to the availability and appropriation of funds.
- B. Determination Prior to Use. Prior to the utilization of a multi-term contract it is to be determined that estimated requirements cover the period of the contract and are reasonably firm and continuing; and that such contract will serve the best interests of the City by encouraging effective competition or otherwise promoting the City's interests.

## **Section 210 - Administrative Guidelines, Policies and Procedures – Purchases for Special Events.**

The mayor or his/her designee may promulgate procedures to govern the purchase of supplies, such as food, beverages, decorations and awards, for public events and employee activities, including employee of the year recognition, volunteer recognition and ceremonial openings of public facilities. **Section 220 - Contracts With Community Service Organizations for Public Improvements.**

- A. Competition Waived. Pursuant to RCW 35.21.278, the city council may contract with the Chamber of Commerce, a service organization, a community, youth, or athletic association, or similar non-profit association which is located in and providing service to the immediate neighborhood for drawing design plans; making improvements to a park, school playground, or public square; installing equipment or public art; or providing maintenance services for a public facility as a community or neighborhood project without utilizing a competitive bid process, and the City may reimburse the contracting association its expense.
- B. Value of Services or Goods Received. The goods or services received by the City must be at least equal to three (3) times the City's payment to the association.
- C. Annual Limitation. The City's payments for all contracts made to all neighborhood associations pursuant to this Section in any one (1) calendar year shall not exceed twenty five thousand dollars (\$25,000).

## **Section 230 - Other Contracts.**

The mayor or his/her designee may promulgate procedures for the approval of all other contracts not otherwise covered by this policy. These contracts shall include, but shall not be limited to: nonprofessional service contracts, maintenance agreements and contracts, instructor contracts, entertainment contracts and any other personal service contract.

## **II. PUBLIC WORK**

### **Section 240 - Small Works Roster – Projects Less Than \$300,000 (RCW 39.04.155 – Small works roster contract procedures – Limited public works process – Definition).**

- A. Roster Authorized. Pursuant to Section 39.04.155 RCW, the proper officers of the City are hereby authorized to utilize a small works roster process to select contractors to perform work involving the construction, building, renovation, remodeling, alteration, repair, or improvement of real property. In accordance with that statute, the small works roster procedures described herein are in lieu of formal sealed bidding procedures, and in lieu of public work procurement authorized under RCW 35.23.352, or alternatively, the City may utilize the small works roster process as provided by the Municipal Research and Services Center of Washington (MRSC).
- B. Cost. The small works roster process described herein may be utilized for those projects involving the construction, building, renovation, remodeling, alteration, repair, or improvement of real property in which the estimated cost of the project does not exceed three hundred thousand dollars (\$300,000), which estimate shall include the costs of labor, material, equipment, and sales and/or use taxes as applicable. The breaking of any project into units or accomplishing any projects by phases is prohibited if done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process.
- C. Number of Rosters. The City may create a single general small works roster, or may create a small works roster for different specialties or categories of anticipated work. The small works rosters may make distinctions between contractors based upon different geographic areas served by the contractor.
- D. 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, or other appropriate matters on file with the City as a condition of being placed on a roster or rosters. Contractors shall obtain a business license

at such time as shall be required by the Stanwood Municipal Code. Contractors may be added to any small works roster at any time.

- E. **Publication.** At least once a year, the City shall publish in a newspaper of general circulation within the City of Stanwood a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to an appropriate roster or rosters at any time that they submit a written request and necessary records. The City may require master contracts to be signed that become effective when a specific award is made using a small works roster. All master contracts will be submitted to the city council for approval.
- F. **Electronic Rosters.** In addition to paper and/or electronic rosters kept on file in the appropriate department, the City may also use the state wide electronic database developed and maintained jointly by the Daily Journal of Commerce and the Municipal Research and Services Center of Washington.
- G. **Bid Security and Performance Bonds.** No bid security, in the form of a bid bond or bid deposit, shall be required for contracts awarded pursuant to the small works roster process. Performance bonds shall be required from all such contractors performing a Public Work, pursuant to the provisions of RCW 39.08.030.
- H. **Telephone, Written, or Electronic Quotations.** The City 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 defined in RCW 43.19.1911(9), as follows:
1. 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.
  2. 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.
  3. If the estimated cost of the work is from one hundred fifty thousand dollars (\$150,000) to three hundred thousand dollars (\$300,000) the City may choose to solicit bids from less than all the appropriate contractors on the appropriate small works roster but must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being

sought. The City has the sole option of determining whether this notice to the remaining contractors is made by:

- (i) Publishing notice in a legal newspaper in general circulation in the area where the work is to be done;
  - (ii) Mailing a notice to these contractors; or
  - (iii) Sending a notice to these contractors by facsimile or other electronic means.
4. For purposes of this section, "equitably distribute" means that the City may not favor certain contractors on the appropriate small works roster over other contractors on the appropriate small works roster who perform similar services. At the time bids are solicited, the City's representative shall not inform a contractor of the terms or amount of any other contractor's bid for the same project;
5. A written record shall be made by the City representative of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be forwarded to the city administrator's office, recorded, open to public inspection, and available by telephone inquiry. All bid documents will then be stored in the city administrator's office. A copy of the contractor's quotation shall be forwarded with the contractor's first invoice to the finance director.

#### **Section 250 - Limited Public Works – Projects Less Than \$35,000**

- A. Pursuant to RCW 39.04.155 (3), and in lieu of awarding contracts through a formal sealed bidding procedure or a small works roster as described above in Section 240, the City may award a contract for a public work, construction, alteration, repair, or improvement project estimated to cost less than thirty five thousand dollars (\$35,000) including tax, using the limited Public Works process provided under this section.
- B. Public Works projects awarded under this subsection are exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010, and are exempt from the other requirements of the small works roster process as described above.
- C. For limited Public Works projects, the City shall solicit electronic or written quotations from a minimum of three (3) contractors from the appropriate small works roster established above in Section 240 , and shall award the contract to the lowest responsible bidder as defined under RCW 43.19.1911. After an award is made, the quotations shall be open to public inspection and available by electronic request.
- D. The City shall attempt to distribute opportunities for limited Public Works projects equitably among contractors on the appropriate small works roster.

- E. The appropriate City officers shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four (24) months under the limited Public Works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.
- F. For limited Public Works projects, the city administrator or public works director may waive the payment and performance bond requirements of chapter 39.08 RCW and the retainage requirements of chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, materialmen, suppliers, and taxes imposed under Title 82 RCW that may be due from the contractor for the limited Public Works project, however the City shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

### **Section 260 - Award of Public Work.**

- A. The mayor or his/her designee shall present the result of all public bids for Public Work contracts and a recommendation for award of the contract to the lowest responsible bidder to the city council.
- B. For Public Works projects under forty thousand dollars (\$40,000) employing a single craft, or sixty-five thousand dollars (\$65,000) for projects employing multiple crafts, the mayor or the mayor's designee shall have the authority to award such Public Work contracts (see RCW35.23.352).
- C. The mayor or his/her designee shall have the authority to award any contract for a Public Work that is not subject to public competitive bidding requirements, including projects awarded pursuant to a small works roster or limited Public Work, provided that such Public Work project has been approved by the city council in the annual budget, and provided further that the finance director certifies that funds are available.
- D. The public works director or his/her designee shall have the authority to award any contract for a Public Work (or authorize work to proceed from a bid quote) that is not subject to public competitive bidding requirements, provided that such Public Work has been approved by the city council in the annual budget, provided further that the finance director certifies that funds are available, and provided further that the cost of such Public Work does not exceed \$15,000. The mayor or his/her designee, shall be authorized to award Public Works projects up to \$15,000 at their discretion, provided the amount is budgeted and the funds are available.
- E. Bonds. Bonding requirements of RCW 39.08.010 shall be met.
- F. Award of a Public Work exceeding \$15,000 shall require a formal contract document (in lieu of a bid quote), recommended by the public works director,

certified by the finance director, approved as to form by the city attorney, and authorized by the mayor or his/her designee.

- G. Estimates for Public Work exceeding \$15,000. The City shall, at a minimum, use the following process to obtain estimates for Public Work exceeding \$15,000, but less than \$40,000 if one craft or trade is involved, or \$65,000 if multiple crafts or trades are involved:
1. A written description shall be drafted, outlining the nature of the Public Work, including the specific materials, equipment, service, quantity, quality, type, start and end dates, and any other significant terms of work.
  2. A City representative shall make a good faith effort to contact at least three providers of the Public Work required; and, reading from the written description or utilizing email or facsimile, obtain telephone or written price quote responses from the providers of the Public Work. If the nature of the Public Work or other factors do not enable the City representative to gather three price quotations for the Public Work, then the reasons shall be documented.
  3. At the time such telephone, email or facsimile price quotations are solicited, the City representative shall not inform a provider of any other provider's cost estimate of the Public Work.
  4. A written record shall be made by the City representative of each provider's price quote for the Public Work, and of any conditions imposed on the bid by such provider.
  5. All of the written records identifying the results of the telephone bids or price quotations for Public Work over \$15,000 dollars shall be analyzed for direct and indirect costs, and a recommendation for purchase from the lowest responsible provider made to the department director.
  6. Records of the price quotations for the Public Work over \$15,000 shall be kept on file in the department overseeing the purchase, in accordance with document retention guidelines.
- H. Determining Lowest Responsible Price Quote for Public Work over \$15,000, but less than \$40,000 if one craft or trade is involved, or \$65,000 if multiple crafts or trades are involved: The mayor or his/her designated representative shall award any contract for Public Work over \$15,000, but less than \$40,000 if one craft or trade is involved, or \$65,000 if multiple crafts or trades are involved, to the provider submitting the lowest responsible price quote, provided that the mayor or his/her designated representative may, in his/her sole discretion, elect to reject all price quotes submitted. Pursuant to RCW 43.19.1911, in determining if a provider is responsible, the following elements shall be given consideration:
1. The ability, capacity, and skill of the provider to perform the contract or provide the service required;

2. The character, integrity, reputation, judgment, experience, and efficiency of the provider;
3. Whether the provider can perform the contract within the time specified;
4. The quality of performance of previous contracts or services;
5. The previous and existing compliance by the provider with laws relating to the contract or services;
6. Such other information as may be secured having a bearing on the decision to award the contract.

- I. Nothing in this section shall prevent the City from using formal sealed bidding procedures to solicit bids for any Public Work.

**Section 270 - Determining Lowest Responsible Bidder for Public Work Exceeding \$40,000 if one craft or trade is involved, or \$65,000 if multiple crafts or trades are involved, or for any Public Work Sealed Bid Process.**

The City shall award any contract for a Public Works project to the lowest responsible bidder provided that the city council may, in its sole discretion, elect to reject all bids. Pursuant to RCW 43.19.1911, in determining if a bidder is responsible, the following elements shall be given consideration:

- A. The ability, capacity, and skill of the bidder to perform the contract or provide the service required;
- B. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
- C. Whether the bidder can perform the contract within the time specified;
- D. The quality of performance of previous contracts or services;
- E. The previous and existing compliance by the bidder with laws relating to the contract or services;
- F. Such other information as may be secured having a bearing on the decision to award the contract:

### **Section 280 - Estimating Costs of Public Works Contracts.**

In determining the cost of a Public Works project, all amounts estimated to be paid for materials, supplies, equipment, sales taxes, and labor on the construction of the project must be included in the cost estimate, provided that labor and services rendered for the building, repairing, or improving of any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle owned by the City which is used primarily for pedestrian or vehicle traffic shall be excluded from the estimate in accordance with the provisions of RCW 82.04.050(7).

### **Section 290 - Retainage.**

Except as provided under the limited Public Works process set forth in RCW 39.04.155 (3), and pursuant to RCW 60.28.011, the City shall withhold five percent (5%) of the money due a contractor for a public work contract until completion and/or acceptance of the contract by the City.

### **Section 300 - Public Works Bonds.**

Pursuant to RCW 39.08.010, and except as allowed under the limited Public Works process set forth in RCW 39.04.155 (3), the City shall require all contractors entering into a contract with the City for the construction of a public work to submit to the City a Public Works bond in a form as approved by the city attorney. Such bond shall be in an amount not less than one hundred percent (100%) of the contract price.

- A. Notwithstanding the foregoing, and in accordance with RCW 39.08.010, at the contractor's option and with the approval of the mayor, the City may, in lieu of a performance and payment bond, retain fifty percent (50%) of the contract amount for a period of thirty (30) days after date of final acceptance, or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later. This subsection shall only apply to those contracts of twenty five thousand dollars (\$25,000) or less.
- B. In accordance with RCW 39.08.030 the Public Works bond for Public Works projects with a contract price in excess of one million dollars (\$1,000,000) shall be in an amount not less than one hundred percent (100%) of the first one million dollars (\$1,000,000) of the project price, together with seventy five percent (75%) of the contract price for those amounts in excess of one million dollars (\$1,000,000), provided that the bond shall never be less than twenty five percent (25%) of the total contract price

## **Section 310 - Prevailing Wages on Public Work.**

The payment of prevailing wages as required by Chapter 39.12 RCW shall apply to all contracts for Public Work.

Before payment is made by or on behalf of the City, of any sum or sums due on account of a public works contract, it shall be the duty of the finance director to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to the finance director a "Statement of Intent to Pay Prevailing Wages". For a contract in excess of ten thousand dollars, the statement of intent to pay prevailing wages shall include:

- (a) The contractor's registration certificate number; and
- (b) The prevailing rate of wage for each classification of workers entitled to prevailing wages under RCW 39.12.020 and the estimated number of workers in each classification.

Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the department of labor and industries before it is submitted to the finance director. Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the finance director to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit an "Affidavit of Wages Paid" before the funds retained according to the provisions of RCW 60.28.011 are released to the contractor. Each affidavit of wages paid must be certified by the industrial statistician of the State Department of Labor and Industries before it is submitted to the finance director.

As an alternate to the procedures provided for above, for public works projects of two thousand five hundred dollars (\$2,500.00) or less and for projects where the limited public works process under RCW 39.04.155(3) is followed:

(a) The City may authorize the contractor or subcontractor to submit the statement of intent to pay prevailing wages directly to the finance director without approval by the industrial statistician of the State Department of Labor and Industries. The City shall retain such statement of intent to pay prevailing wages for a period of not less than three years.

(b) Upon final acceptance of the public works project, the City shall require the contractor or subcontractor to submit an affidavit of wages paid. Upon receipt of the affidavit of wages paid, the finance director may pay the contractor or subcontractor in full, including funds that would otherwise be retained according to the provisions of RCW 60.28.011. Within thirty days of receipt of the affidavit of wages paid, the City shall submit the affidavit of wages paid to the industrial statistician of the State Department of Labor and Industries for approval.

(c) A statement of intent to pay prevailing wages and an affidavit of wages paid shall be on forms approved by the department of labor and industries.

(d) In the event of a wage claim and a finding for the claimant by the department of labor and industries where the City has used the alternative process provided above, the City shall pay the wages due directly to the claimant. If the contractor or subcontractor did not pay the wages stated in the affidavit of wages paid, the City may take action at law to seek reimbursement from the contractor or subcontractor of wages paid to the claimant, and may prohibit the contractor or subcontractor from bidding on any public works contract of the City for up to one year.

(e) Nothing in this section shall be interpreted to allow the City 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.

### **Section 320 - Public Work Change Orders and Contract Amendments.**

A. The mayor is hereby authorized and directed to approve and execute Public Works contract change orders for an increase in the compensation or price to be paid under the contract, on those Public Works contracts over \$40,000 if one craft or trade is involved, or over \$65,000 if multiple crafts or trades are involved that were originally awarded pursuant to a competitive bid under the following conditions, provided that the mayor is hereby authorized to delegate the mayor's authority to execute change orders or contract amendments pursuant to this section to such City officers as the mayor sees fit:

1. If the change order does not substantially change the scope of the project; and
2. If the total increase or decrease in the contract amount, as a result of the change order, does not exceed ten percent (10%) of the bid total stated in the original approved contract; and
3. The finance director verifies that funds have been budgeted and are available.

B. Where the mayor or his/her designee approves and executes change orders or contract amendments according to the conditions set forth in subsection "A" above, the mayor or his/her designee shall forward the change order to the city council for its information within thirty (30) days of the signing of the change order.

C. If the change order for public work over \$40,000 if one craft or trade is involved, or \$65,000 if multiple crafts or trades are involved, does not meet the conditions set forth in subsection "A" above, the mayor or the mayor's designee shall submit the change order to the city council for approval in advance of execution of the change order.

- D. The mayor or his/her designee may execute such change orders or contract amendments that do not change the material terms of the Public Works contract as the mayor determines are in the best interests of the City.

**Section 330 - Final Approval of Public Works Contracts.**

- A. The mayor is authorized to accept Public Works contracts without individual action by the city council.
- B. No Public Works contracts shall be deemed to be accepted until such time as the City receives assurances from the State Department of Employment Security that all employment security taxes have been paid by the contractor, and that the State has released any lien it may have against the project retainage.

**Section 340 - Engineering Administration.**

The public works director may execute routine documents as required for efficient administration of Public Works projects, such as permits to enter and construction easements.

**Section 350 - Architectural-Engineering Services.**

Architectural-Engineering services shall be acquired in accordance with RCW 39.80, except that if federal funding is anticipated for any phase of the Public Work, architectural and engineering services shall be acquired in accordance with the most current WSDOT Local Agency Guidelines.

**Section 360 Property Acquisition.**

Any City property purchases which may be associated with federal funding shall be acquired following Uniform Act guidelines and in accordance with the most current WSDOT Local Agency Guidelines.

**III. Sale of Surplus City of Stanwood Property**

**Section 370 - Declaration of Property as Surplus.**

- A. The mayor or the mayor's designee is hereby authorized to declare any property of the City surplus to the City's needs, when the estimated value of such property is less than or equal to two thousand five hundred dollars (\$2,500).
- B. The city council hereby retains the discretion to declare any property of the City of Stanwood surplus to the City's needs, when the estimated value of such property exceeds two thousand five hundred dollars (\$2,500).

### **Section 380 - Disposal of Property Declared Surplus.**

- A. The proper City officers shall dispose of property declared surplus to the needs of the City in such manner as the proper officers shall determine to be in the best interests of the City, provided that no officer of the City shall knowingly authorize a transaction prohibited under this Chapter.
- B. Property that is surplus to the needs of the City may be disposed of by agreement in which a dealer of property of the kind that is surplus will provide a reduction of the purchase price of replacement property (i.e., a "trade-in,") provided that the city council shall ratify such trade-ins for surplus property that is valued at over two thousand five hundred dollars (\$2,500).

### **Section 390 - Fair Market Value to be Obtained for Surplus Property.**

In disposing of surplus property, the proper City officers shall take such steps as are reasonable and appropriate to secure the fair market value for such surplus property.

### **Section 400 - Prohibited Transactions.**

- A. Pursuant to RCW 42.23.030, no city councilmember or the mayor may purchase any surplus property from the City of Stanwood.
- B. No employee of the City may purchase any surplus property from the City, except when such surplus property is offered to the general public at auction, or by competitive bid, provided that no City employee may be given any competitive advantage when bidding on surplus property that other members of the public would not have.

**CHAPTER 2. Effective date.** This resolution shall become effective immediately upon adoption and signature as provided by law.

**CHAPTER 3. Severability.** If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional, the invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, clause or phrase of this resolution.

**CHAPTER 4. Short Title.** This resolution shall be know as the Procurement Policy and may be cited as such.

**ADOPTED** by the City Council and **APPROVED** by the Mayor this 24<sup>th</sup> day of January, 2013.

CITY OF STANWOOD

By \_\_\_\_\_  
Dianne White, Mayor

ATTEST:

By \_\_\_\_\_  
Greg Thrasher, City Clerk

Approved as to form:

By \_\_\_\_\_  
Grant K. Weed, City Attorney

*Important thresholds to remember:*

Description	Section
The mayor may apply for and execute grants up to \$15,000	070(B)
Vendor list procedures may be used for purchases of materials, supplies or equipment between \$7,500 and \$15,000. Purchases up to \$7,500 may be purchased at the discretion of the mayor or his/her designee, provided the amount is budgeted and the funds are available.	120(A)
Materials, supplies and equipment (between \$2,500 and \$7,500) may be purchased by department heads upon receiving at least three (3) informal quotes and prior approval by the city administrator. Purchases below \$2,500 may be made by department heads or their designees (no quotes, unless otherwise required by the city administrator.	120(B)
Materials, supplies and equipment (less than \$2,500) may be purchased by department heads or their designees without informal quotes. Informal quotes for these purchases may be required at the discretion of the city administrator.	120(C)
Minor contracts (other than PW) up to \$7,500 within a twelve-month period may be authorized by mayor or designee	140(A)
Small works roster may be used for PW projects up to \$300,000	240(B)
<p>Limited public works process may be used for awarding contract for public works construction projects less than \$35,000. Under this process, the following requirements may be waived:</p> <ul style="list-style-type: none"> <li>• Advertisement requirement per RCW 39.04.010</li> <li>• Payment and performance bond requirements per RCW Chapter 39.08</li> <li>• Retainage requirements per RCW Chapter 60.28</li> </ul>	250(A)
The mayor or designee is authorized to award PW projects up to \$40,000 (\$65,000 for projects employing multiple crafts). Pursuant to RCW 35.23.352(1), such PW projects may be constructed by contract or day labor.	260(B)

Description	Section
Council must award PW projects above \$40,000 (\$65,000 for projects employing multiple crafts). Pursuant to RCW 35.23.352(1), such PW projects may be done by contract (not day labor).	270
PW director or designee is authorized to award PW projects up to \$15,000, provided the amount is budgeted and the funds are available	260(D)
Informal bids may be obtained for PW projects exceeding \$15,000 and less than \$40,000 (\$65,000 for projects employing multiple crafts). The City shall make a good faith effort to contact at least three providers to obtain telephone, email, or facsimile quotes.	260(G)
Mayor is authorized and directed to approved and execute PW contract change orders for PW contract change orders for PW contracts over \$40,000 (\$65,000 multiple crafts) provided the scope of work is not substantially changed, the total increase/decrease is not more than 10% and the finance director verifies funds have been budgeted and are available	320(A)
Mayor or designee is authorized to declare any City property as surplus when the estimated value is less than or equal to \$2,500.	370(A)
Trade-in of surplus property may be performed by City staff for property valued up to \$2,500	380(B)



**CITY OF STANWOOD  
CHARGE & CARRY LISTS**

**LESS THAN \$150**

<b><u>Name</u></b>	<b><u>Department</u></b>
Julie Johnson	Administration
Tommie Gitchel	Buildings & Grounds
Jeffrey Foss	Building Inspection
Corinne Schakel	Community Development
Devon Tokizawa	Community Development
Josie Anderson	Finance
Bev Handshumaker	Finance
Patricia Madden	Human Resources
Peggy Girard	Police
Debra Sousa	Police
Lisa Noonchester	PW
Trevor Harrison	Street/Park
Dick Killingsworth	Street/Park
David Smith	Street/Park
Jacob Hamlin	Wastewater
Leigh Danielson	Wastewater
Gina Melander	Water
Erik Holbeck	Water
Frank Cook	Water

**GREATER THAN \$150**

<b><u>Name</u></b>	<b><u>Department</u></b>
Kevin Hushagen	PW/ Supervisor
Crystil Robinson	Finance Director
Melissa Collins	City Clerk
Richard Hawkins	Police Chief
Rebecca Lind	Community Development

**APPROVED CHARGE AND CARRY VENDORS**

**These are the only vendors where authorized City employees are allowed to purchase goods against the City's credit and carry them out with them. Employees authorized to charge in the City's name must sign the sales slip when they pick up**

**the order indicating they received the goods. A detailed receipt must be turned into accounts payable.**

**Ace Hardware  
Advanced Automotive  
Bartell Drugs  
Copy This-Mail That (Camano)  
CarQuest (Stanwood Auto Parts)  
Eagle's Nest  
Forest Land Services, Inc  
Haggen's  
Hamilton Lumber, LLC  
Jiffy Lube #2583  
Lenz Sand & Gravel  
Les Schwab (Rimmer Tire Center)  
Napa (Stilly Auto Parts, LLC)  
QFC  
Skagit Farmers Supply  
Stanwood-Camano News  
Stanwood Car Care (American Car Care Center)  
Stanwood Hardware (True Value)  
The UPS Store #4798**

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## CITY OF STANWOOD GENERAL PURCHASING POLICY

This policy applies to the ordering of supplies and services by authorized City employees where delivery of the supplies or provision of the service is not immediate. Immediate delivery of supplies and services are covered under the charge and carry policy.

- I. The placing of orders for supplies and services up to \$1000 shall be authorized for the following designated persons/positions for their areas of responsibility:

Public Works Director  
City Administrator  
Community Development Director  
City Clerk  
HR Director  
Finance Director  
Public Works Supervisor  
Fire Chief  
Fire Shift Commander  
Police Chief

Gina Melander*	Water
Kevin Hushagen*	Wastewater
Debra Sousa	Police Administration
Julie Johnson	General Administration

\* Designates persons who have additional authority to place orders for bulk purchases or inventoried stock of sand, gravel, fertilizer, pesticides or water parts up to \$5000 with prior approval from the Public Works Supervisor.

- II.** The placing of orders for supplies and services greater than \$1000 shall be authorized for the following designated persons/positions for their area of responsibility:

Public Works Director  
Community Development Director  
City Clerk  
Finance Director  
Public Works Supervisor  
Fire Chief  
Police Chief  
HR Director

This authority may be delegated on a purchase by purchase basis in writing by the department head to persons with authorization up to \$1000. The delegated approval shall be in writing and be forwarded to accounts payable.

**III.** Purchase Orders

When a department's **budget line item** for any service or supplies (account code 30's, 40's, or 50's) reaches 80% of the amount appropriated for the year a purchase order system may be put into effect by the Finance Director. In such case, purchase orders shall be submitted by the department head and approved by the Finance Director **prior to** placement of any order greater than \$150 when these line items are at 80% expended or larger.