

SKAGIT COUNTY

PURCHASING AND CONTRACTING

GUIDELINES

(2003)

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These forms can be found online on the County's internal website.

Statement of Purpose

This document sets forth guidelines for the acquisition of goods and services by Skagit County. This document should not be construed as a step-by-step procedures manual or as a substitute for legal counsel, but should be used as a basic guide for County purchasing personnel. These guidelines do not, and should not be construed as, conferring third-party beneficiary status on any person. These guidelines are solely to assist Skagit County Department Heads and Elected Officials, and their employees, in the development of good government practices in purchasing and contracting.

The following objectives are to be considered whenever a procurement is made.

- A) Obtain goods and services and work as economically as possible.
- B) Purchase items of a quality best suited to the requirements of the department making the purchase.
- C) Allow flexibility in the process, particularly in cases of emergencies, smaller projects and acquisitions, and situations of repetitive types of work.
- D) Encourage and allow as many different vendors and contractors to perform the work or provide the purchases as is reasonable under the circumstances.
- E) Assure a level playing field for vendors and contractors.

(INSERT FLOW CHART)

SECTION I

Purchases and Leasing of Equipment, Materials, Supplies, and Routine Services RCW 36.32.245

1.0 Purchases of Equipment, Materials, and Supplies Totaling Less than \$2,500 (RCW 36.32.245; Resolution No. 14168)

Purchases of equipment, materials, and supplies totaling less than \$2,500 (including freight, excluding sales tax) do not require a formal bid process. If the item(s) appear on a state bid list, regardless of the amount, the item may be purchased from a vendor submitting bids for that item. The state bid list can be found on-line at www.ga.wa.gov/pca/pcacont.htm. The County vendor list for material can be found online at the County's internal website.

1.1 Purchases of Equipment, Materials, and Supplies Between \$2,500 and \$5,000 (RCW 39.04.190; 36.32.245, Resolution Nos. 14168, 15344, and 16625)

Purchases of equipment, materials, and supplies totaling between \$2,500 and \$5,000 (including freight, excluding sales tax) require telephone quotes from three (3) different vendors with the selection of the lowest responsible bidder. (Exceptions may apply, but must be documented.) Three (3) quotes may be obtained from the vendor list maintained pursuant to RCW 39.04.190.

1.1.1 Quotation Process (RCW 39.04.190; 39.04.200; Resolution Nos. 14168 & 15344)

- a. Whenever possible, not less than three (3) prospective vendors shall be contacted by telephone or by letter and advised as to the specification for the item or items for which quotations are being sought. The number of vendors contacted may be reduced if the materials, equipment, supplies, or services being sought are available from a smaller number of vendors. A written explanation shall be attached to the Phone Bid Quote Form (See App. A) when fewer than three (3) proposals are requested, or if there are fewer than three (3) replies.
- b. Telephone or written requests for quotations shall specify the following:
 - 1) Materials, equipment, supplies, or services to be purchased
 - 2) Freight costs
 - 3) Tax
 - 4) Delivery time requirements
 - 5) Point of delivery
 - 6) Terms of payment
 - 7) Total cost

- c. Tabulation of telephone or written quotations shall be on the Phone Bid Quote Form and shall include at a minimum the information described in Section b above.
- d. The materials, equipment, supplies, or services shall be ordered from the lowest responsible bidder whose quotation meets all specifications established for the item or items being purchased.
- e. Written confirmation of telephone quotations from responsible vendors is not required.
- f. A copy of the Phone Bid Quote Form shall be attached to the payment voucher when submitted for payment to the County Auditor.

1.1.2 Exceptions to Obtaining Competitive Bids (\$2,500 - \$5,000)

Competitive bidding may be waived and/or is not required for the following:

- a. Purchases involving an intergovernmental sale. (RCW 36.34.130)
- b. Purchases involving an interlocal agreement. This includes the state bid list, of which Skagit County is a paid subscriber in the State Purchasing Cooperative. (RCW 39.34)
- c. Purchases in the event of an emergency. (RCW 36.32.270, 39.04.280; Board resolution required within two weeks of award of the contract).
- d. Purchases involving special facilities or market conditions. (RCW 36.32.270 and 39.04.280) (Board resolution required.)
- e. Purchases that are clearly and legitimately limited to a single source of supply. (RCW 36.32.270, 39.04.280) (Board resolution required.)
- f. Electronic data processing and telecommunications equipment and services may be purchased through competitive negotiation. (RCW 39.04.270)

1.2 Purchases of Equipment, Materials, and Supplies Between \$5,000 and \$25,000
(RCW 39.04.190; Resolutions 14168 & 15344)

Purchases of equipment, materials, and supplies totaling between \$5,000 and \$25,000 must be accompanied by a Notice of Intent to obtain telephone/written quotations (NOI) form signed by the Board and a completed Phone Bid Quote form, which includes at least three (3) quotes and the selected vendor. The only difference between purchases between \$2,500 - \$5,000 and \$5,000 - \$25,000 is that no NOI is required for purchases made between \$2,500 - \$5000.

1.2.1 Notice of Intent Process (NOI)

Complete the standard NOI form (See App. B)

Various departments may have specific steps outlined for internal routing procedures. Upon approval from the department head/elected official, the NOI form is routed to the Clerk of the Board for approval by the Budget/Finance Director. The Clerk of the Board returns the signed NOI form to the originating department. After receipt of the approved NOI, the department may proceed with the quotation process and/or purchasing process. Note that NOI's are not agenda items.

1.2.2 Quotation Process (RCW 39.04.190; Resolution No. 14168)

- a. Prior to initiating the quotation process, a NOI form should be presented to the Budget/Finance Director for approval.
- b. Whenever possible, not less than three (3) prospective vendors shall be contacted by telephone or by letter and advised as to the specification for the item or items for which quotations are being sought. The number of vendors contacted may be reduced if the materials, equipment, supplies, or services being sought are available from a smaller number of vendors. A written explanation shall be attached to the Phone Bid Quote Form when fewer than three (3) proposals are requested, or if there are fewer than three (3) replies.
- c. Telephone or written requests for quotations shall specify at a minimum the following:
 - 1) Materials, equipment, supplies, or services to be purchased
 - 2) Freight costs
 - 3) Tax
 - 4) Delivery time requirements
 - 5) Point of delivery
 - 6) Terms of payment
 - 7) Total cost
- d. Tabulation of telephone or written quotations (by letter, fax or e-mail) shall be on the Phone Bid Quote Form and shall include at a minimum the information described in section c above.
- e. The materials, equipment, supplies, or services shall be ordered from the lowest responsible bidder whose quotation meets all specifications established for the item or items being purchased.
- f. Written confirmation of telephone quotations from responsible vendors is not required.
- g. Immediately after the award is made, the bid quotations obtained shall be recorded on the Phone Bid Quote form, open to public inspection, and shall be available by telephone inquiry. A contract awarded pursuant to this section need not be advertised. The Department should maintain a copy of the completed Phone Bid Quote form.
- h. A copy of the quotation forms shall be attached to the payment voucher when submitted for payment to the County Auditor.

1.2.3 Exceptions to Obtaining Competitive Bids (\$5,000 - \$25,000)

Competitive bidding may be waived or is not required for the following:

- a. Purchases involving an intergovernmental sale. (RCW 36.34.130)
- b. Purchases involving an interlocal agreement. This includes state bid list, of which Skagit County is a paid subscriber in the State Purchasing Cooperative. (RCW 39.34)
- c. Purchases in the event of an emergency. (RCW 36.32.270, 39.04.280; Board resolution required within two weeks of award of the contract).
- d. Purchases involving special facilities or market conditions. (RCW 36.32.270, 39.04.280) (Board Resolution required.)
- e. Purchases that are clearly and legitimately limited to a single source of supply. (Board resolution required.) (RCW 36.32.270; 39.04.280)
- f. Electronic data processing and telecommunications equipment and services may be purchased through competitive negotiation. (RCW 39.04.270)

1.3 Purchases of Equipment, Materials, and Supplies Over \$25,000 (RCW 36.32.245)

Purchases of equipment, materials, and supplies over \$25,000 must be formally bid.

1.3.1 Competitive Bidding Process

- a. Bid specifications, i.e., the requirements for the intended purchase, must be submitted in writing to the Clerk of the Board for public inspection.
- b. An advertisement shall be published in the local newspaper with the current County publishing contract stating the time and place where bids will be opened. The time by which bids are due, the materials, equipment, supplies and/or services to be purchased, and that the bid specifications may be obtained by contacting the Clerk or department initiating the bid. The bid specification should be sufficiently certain and definite in order to form a fair basis for competitive bidding. This advertisement must be published at least once 13 days before the date by which the bids are due.
- c. The bids must be in writing and filed with the Clerk. The bids must be opened and read in public at the time and place advertised. The contract must be awarded to the lowest responsible bidder. No contract should be awarded to a bidder whose bid was not in substantial accordance with the terms of the call for bids.

- d. Immediately after the award of the contract is made, the bid quotations shall be recorded in the minutes of the Board and shall be open to public inspection and available by telephone inquiry. Any bid may be rejected for good cause.

1.3.2 Exceptions to Competitive Bidding Process

Competitive bidding may be waived or is not required for the following:

- a. Purchases involving an intergovernmental sale. (RCW 36.34.130)
- b. Purchases involving an interlocal agreement. This includes state bid list, of which Skagit County is a paid subscriber in the State Purchasing Cooperative. (RCW 39.34)
- c. Purchases in the event of an emergency. (RCW 36.32.270; 39.04.280; Board resolution required within two weeks of award of the contract).
- d. Purchases involving special facilities or market conditions. (RCW 36.32.270; 39.04.280) (Board resolution required.)
- e. Purchases that are clearly and legitimately limited to a single source of supply. (RCW 36.32.270, 39.04.280) (Board resolution required.)
- f. Performance-based contracts as defined in RCW 39.35A.020(3) that are negotiated under Chapter 39.35A RCW (RCW 36.32.245)
- g. Contracts and purchases for the printing of electronic ballots, voting machine labels, and all other election material containing the names of candidates and ballot titles. (RCW 36.32.245)
- h. Electronic data processing and telecommunication equipment and services may be purchased through competitive negotiation. (RCW 39.04.270)

1.4 Purchases of Services, Equipment, Materials, Supplies and Vendor Services

Purchases of equipment, materials, and supplies with a service are considered purchases of vendor services and follow the purchase requirements noted in the previous sections. "Vendor" generally means a person who sells goods or services.

"Vendor services" means services provided by a vendor to accomplish routine, continuing and necessary functions. (See RCW 39.29.006) Additionally, a Vendor Services Agreement should be written when the purchase involves a service as well as materials. (See App. C)

1.5 Advertising Schedule for Purchase of Maintenance Materials (Applicable to Public Works only)

The intent to purchase maintenance materials is advertised twice each year in the local newspaper with the current County publishing contract. These solicitations are normally published the first or second week in February and again the first or second week of August. The proposals received are then valid from April 1 to September 30 and October 1 through March 31 each year. The detailed procedure for this process is maintained by the ER&R Coordinator. The vendor list may be found online on the County's internal website.

1.6 Lease of Personal Property/Equipment (RCW 36.32.253)

No lease of personal property may be entered into by the Board or by any elected or appointed officer of the County except upon the use of the procedures specified in RCW 36.32.245 and Chapter 39.04.190 for awarding contracts for purchases when it leases personal property from the lowest responsible bidder.

1.6.1 Rental of Equipment (Resolution No. 16914)

Skagit County's Road Superintendent advertises at the beginning of each year to establish an eligibility list of vendors who bid certain equipment rental rates. Any time an employee of the County desires to rent a piece of equipment, this bid list should be checked to see if the equipment has been bid. If the equipment needed has been bid, the lowest bidder on the list should be contacted for the rental. Contracts should be entered into with vendors with whom the department expects to spend over \$25,000 annually. The resolution number or contract number should be written on the invoice when signing as the receiver of services. If the equipment has not been bid, use the dollar benchmarks to get quotes, NOI, etc.

1.7 Preferential Purchase of Recyclable Materials (RCW 36.32.245)

A Department may establish a preferential purchase policy for recyclable materials or products that may be recycled or reused. Such a policy may require a Resolution from the Board.

1.8 Purchase Card Policies (RCW 43.09.2855)

1.8.1 General Terms And Conditions:

All purchases made with credit cards must be made in compliance with these Guidelines, Skagit County Code, and applicable state statutes.

The purchasing card is to be used for **business related purchases only**. The following uses **are prohibited**:

- Personal use
- Cash advances
- Meals
- Personal or professional services
- Manpower of any type
- Purchases restricted by policy guidelines

The maximum amount that can be spent on a single transaction is \$2,499. The maximum credit line per card is \$2,499 (unless a higher limit is requested by the department and approved by the Auditor's Office.)

1.8.2 Roles and Responsibilities:

The Auditor's Office:

- Shall establish purchasing card limits and give authorization to purchasing card users designated by the requesting Department Head.
- Shall provide training for all purchasing card users.
- Shall monitor purchasing card activity by reviewing management reports provided by the financial institution
- Shall assure payment is made to the financial institution within the contractual obligation period
- Shall retain original payment documentation in accordance with approved retention requirements.
- May perform audits for compliance with policy requirements.

Department Heads/Elected Officials:

- Are responsible for designating purchasing card users and recommending credit card limits between \$0 - \$2,499.
- Are responsible for proper card usage, security controls, timely statement reconciliation, and approval within their department.
- May establish and maintain additional controls and restrictions as deemed appropriate within departments.
- Are required to prepare a Purchase Card Application to authorize issuance of new purchasing cards. This form is sent to the Auditor's Office.
- Shall designate an employee to approve invoices and forward reconciled packet to the Auditor's Office Accounts Payable by the third (3rd) business day of the new month.

Card Users:

- Are required to have a working knowledge of all applicable policies, rules and guidelines, and are responsible for adherence to these controls and procedures. All purchases must be made following applicable Skagit County Purchasing and Contracting Guidelines, Skagit County Code, Washington State laws and Purchasing Card Policies.
- Are expected to seek the best price available and request available discounts at the time of purchase.

- Must maintain receipts, sales slips, supplier invoices, packing slips and other related documentation. A sales draft (“yellow” credit card receipt) is not sufficient. A cash register slip or other itemized listing must be included. These must be submitted with the reconciled packet at the end of the month.
- Must maintain a purchasing transaction log for reconciliation purposes.
- Shall resolve discrepancies with the supplier or financial institution.
- Must print and reconcile the purchasing card statement, and forward to the designated employee within own department for approval.
- Must safeguard cards from theft, loss, and misuse.
- Will notify the financial institution and the Auditor’s Office immediately if the card is lost or stolen. (J.P. Morgan Chase toll free at 1-800-270-7760)
- Shall maintain strict security of card numbers.

1.8.3 User Terms and Conditions:

Purchases:

- When a purchase is made, the card user must request a supplier sales receipt or itemized printout from the internet which clearly describes the items purchased, price and any applicable shipping charges and tax.
- The card user must maintain a transaction log as purchases are made to assist in statement reconciliation.
- All purchases are posted in the Payment Net software supplied by J.P. Morgan Chase. The software is available to card users through the internet. The card user will review purchases on-line and enter the appropriate account codes for the purchase. A designated supervisor or department head will approve the transaction on-line.
- At the end of the month, the card user will print the card statement from the internet. The card user will reconcile and attach all receipts and documentation to the statement. The card user will stamp all receipts with a certification stamp and sign the certification. The card user will submit the statement, all receipts and supporting documentation and an accounts payable certification with the proper approvals to the Accounts Payable Section of the Auditor’s Office ***no later than three business days*** after the end of the month.
- In the event a damaged shipment is received, the card user shall note the damage, notify the carrier, and file a damage claim as required for claim resolution with the carrier or supplier.
- Cards issued in the name of a department instead of an individual will be assigned to a card custodian. The card custodian will be responsible for the card use by department staff. The card custodian will maintain a log for recording the assignment of this card. The card custodian will be responsible for securing approvals as well as the statement reconciliation for that card.

Other:

- When a card user terminates County employment or transfers to another department, the employee will return their purchase card to the Auditor’s Office.

- The card user will surrender and the Auditor's office will cancel a card if it is used for any prohibited transaction or in a manner inconsistent with County policy, if the reconciled statements are not sent to Accounts Payable according to schedule, or if finance charges are incurred as a result of the card user's negligence. Misuse may subject user to dismissal per Skagit County Personnel Policies and Procedures Manual Section 12.2 category 3 (d).
- The card user is financially responsible for unauthorized purchases and purchases not supported by receipts. Such transactions may be deducted from the card user's paycheck.
- A single purchase transaction may not be broken down into a series of smaller purchases to circumvent transaction dollar limitations.
- A card user will not accept cash in lieu of a credit to the purchasing card account for the return of a purchase.
- For Internet purchasing, the card user will only enter the purchasing card number in a secure web browser that supports encrypted transactions. Card users can check for this by looking at the bottom of the screen on the status bar for a picture of a padlock. A locked padlock indicates the transaction site is secure.

1.8.4 Disputed Transactions:

In the event the card user does not recognize a charge that has been posted to the billing statement, or the charge is disputed with the supplier and cannot be resolved, the card user should contact J.P. Morgan Chase's customer service center at 1-800-270-7760. The card user will be responsible for documenting the dispute according to the financial institution's instructions within 60 days of the first statement on which it appears. Subsequently, J.P. Morgan Chase will note the disputed items on the following month's statement for reconciliation purposes. The disputed item will be reflected in the outstanding balance of the statement, but will not be part of the total amount due. When the dispute is resolved, J.P. Morgan Chase will add an adjustment line to the statement.

SECTION 2

Purchase of Consultant Services and Leases **RCW 39.80/RCW 36.32.240**

2.0 Purchase of Architectural and Engineering Services (“Professional Services”) (RCW 39.80.010 & .030; RCW 39.80.040, Resolution No. 17872)

The County shall publicly announce its needs for architectural and engineering services, and it will do so either by general announcement or on a per project basis. Contracts for such services shall be awarded based on demonstrated competence and qualifications for the type of professional services required and whether the services are offered for a fair and reasonable price. “Professional Services” has a specific meaning and is limited to services provided by architects, engineers, land surveyors, and landscape architects.

Solicitation of projects, services and products should be advertised over as wide an area as possible. Advertisement must, at a minimum, appear in publications awarded the County publishing contract, and the Department may advertise elsewhere as it deems necessary.

For engineering and land surveying services, the Public Works Department shall comply with the selection process terms of Resolution No. 17872. Under \$100,000 the non-interview process may be followed. Over \$100,000 the interview process should be used.

2.0.1 Request for Qualifications (RCW 39.80.030)

Request for Qualifications (RFQ) are conducted in order to learn of the general availability of firms or companies qualified to do the anticipated work. The announcement states concisely the general scope and nature of the project or work for which the services are required and the address of a representative of the agency who can provide further details. Most often this enables the procuring department to draft a better scope of work to be performed when it subsequently sends out a Request For Proposals.

2.0.2 Professional Services – Advance Publication of Need for Professional Services (RCW 39.80.030)

Each Department shall publish in advance that Department’s need for Professional Services. The announcement shall state concisely the general scope and nature of the project or work for which the services are required and the address of a representative of the Department who can provide further details. A Department may comply with this section by:

- a. Publishing an announcement on each occasion when Professional Services provided by a consultant are required; or

- b. Announcing generally to the public the projected requirements for any category or type of Professional Services.

2.0.3 Negotiation Process for Professional Services (RCW 39.80.050)

The department shall negotiate a contract with the most qualified firm for architectural and engineering services at a price which the department determines is fair and reasonable to the department. In making its determination, the department shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature thereof.

If the department is unable to negotiate a satisfactory contract with the firm selected at a price the department determines to be fair and reasonable, negotiations with that firm shall be formally terminated and the agency shall select other firms in accordance with RCW 39.80.040 and continue in accordance with this section until an agreement is reached or the process is terminated.

2.0.4 Selection of Most Qualified Firm

When selecting the most qualified person/firm, the department should adhere to the following procedure: review notes and criteria points; select the candidate; advise other candidates (include reasons that the particular firm was selected including expertise and particular strengths); and secure evaluation sheets, notes, and other documents in a safe place to support the ranking, procedure, and selection.

Once the department has successfully negotiated an agreement with the selected firm, the department must formalize the agreement in a Personal Services Agreement, or other acceptable contract form, for signature by the Board.

2.0.5 Request for Proposals

A Request for Proposals (RFP) defines the work to be performed and the expected qualifications and asks for price quotations. If the RFP is for consultant-type services, price quotations need not be obtained, but price is to be negotiated once the most qualified consultant has been selected. Specific guidelines are set forth in the Local Agency Guidelines Manual, Section 31.3, for the solicitation and selection of consultants for Engineering and Land Surveying Services.

2.0.6 Exceptions for Emergency Work (RCW 39.80.060)

If the Board makes a finding and passes a Resolution that an emergency requires the immediate execution of the work involved, the RFQ and RFP process need not be followed. The Board must comply with applicable laws limiting emergency expenditures.

2.1 Leases of Personal Property/Equipment (see Section 1.6) (RCW 36.32.253)

2.2 Other Consultant Services

There is no formal bid process required to obtain other consultant-type services, which

are considered “Personal Services.” A Request for Qualifications process may be followed, but does not need to be. (See Section 2.0.1) “Personal services” are services provided by a consultant to accomplish a specific study, project, task, or other work statement that requires professional expertise, i.e., a special skill or ability of a highly technical or scientific nature is required, or the exercise of artistic judgment or advanced education or knowledge is required to accomplish the task(s). (See RCW 39.29.006) Personal services do not include vendor services, where the work can be performed by essentially any competent or skilled worker, but does include “professional services” as defined by RCW 39.80.020. Examples of personal services are those services provided by consultants, attorneys, and mental health counselors. **If your service does not fall within a Personal Services Agreement, use the Vendor Services Agreement and follow the requirements for a Vendor Services Agreement.**

2.3 Leases of Real Property (see Section 5.2)

SECTION 3

“Public Work” Projects

RCW 36.32.235(12); RCW 36.32.250; RCW 36.32.265; RCW 36.32.270

This section addresses “public work” projects. The term “public work” includes all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. (RCW 39.04.010) The term “public work” is a statutory term or art and should not be confused with the work performed by the “Public Works Department” of Skagit County.

**3.0 “Public Work” Projects Totaling Less than \$1,000
(RCW 36.32.250; Resolution No. 15498)**

A contract for “public work” involving less than \$1,000 does not require a formal bid procedure. Therefore, the department may select/contact any vendor they desire to have the work completed.

**3.1 “Public Work” Projects Totaling Between \$1,000 and \$10,000
(RCW 36.32.235 (12); RCW 36.32.250; RCW 36.32.265; RCW 36.32.270;
Resolution No. 15498)**

A contract for “public work” in an amount between \$1,000 and \$10,000 may be obtained via a formal bid procedure (see Section 1.3.1) or according to the following written quotation procedure:

- a. Notice of intention to let a “public work” contract between \$5,000 and \$10,000 shall be presented to the Budget/Finance Director. This notice will then be posted by the Board on a bulletin board in their office not less than three days prior to making such contract.
- b. Whenever possible, not less than three (3) prospective bidders shall be contacted by telephone or by letter and advised as to the specifications for the item of “public work” for which quotations are being sought. A written explanation shall be included on the Phone Bid Quote Form when fewer than three (3) proposals are requested, or if there are fewer than three (3) replies.
- c. Telephone or written requests for quotations shall specify at a minimum the following:
 1. Scope of work
 2. Work location
 3. Tax
 4. Contract time requirements
 5. Terms of payment
 6. Total cost
 7. Statement that prevailing wages apply to the project.

- d. Tabulation of telephone or written quotations shall be on forms provided by the County and shall include, at a minimum, the information described in section b. above.
- e. The contract shall be awarded to the lowest responsible bidder, whose bid meets all specifications established for the work.
- f. Written confirmation of telephone quotations from responsible bidders is not required.
- g. A copy of the quotation form shall be attached to the payment voucher when submitted for payment to the County Auditor.

**3.1.1 Exceptions to Competitive Bidding Requirements
(RCW 39.04.280; RCW 36.32.270)**

Competitive bidding may be waived or is not required for:

- a. Purchases that are clearly and legitimately limited to a single source of supply (Board Resolution required)
- b. Purchases involving special facilities or market conditions (Board Resolution required)
- c. Purchases in the event of an emergency (Board Resolution required)
- d. "Public work" in the event of an emergency (Board Resolution required)
- e. Purchases of insurance or bonds

3.2 "Public Work" Projects Totaling Over \$10,000

Contracts for a "public work" in an amount over \$10,000 must follow a competitive bidding procedure or a small works roster process (for projects up to \$200,000). (Note: The County is not currently using the small works roster procedure).

**3.2.1 Competitive Bidding Process
(RCW 36.32.250)**

- a. No contract for "public work" may be entered into by the Board or by any elected or appointed officer of the county until after bids have been submitted to the county upon specifications therefore. Such specifications shall be in writing and shall be filed with the Clerk of the Board for public inspection.
- b. An advertisement shall be published in the County official newspaper stating time and place where bids will be opened, the time after which bids will not be received, the character of the work to be done, the materials and equipment to be furnished, and that specifications may be seen at the office of the Clerk.
- c. An advertisement shall also be published in a legal newspaper of general circulation in or as near as possible to that part of the County in which such work

is to be done. If the County official newspaper is a newspaper of general circulation covering at least forty percent of the residences in that part of the county in which such "public works" are to be done, then the publication of an advertisement of the applicable specification in the County official newspaper shall be sufficient. Such advertisements shall be published at least once at least thirteen days prior to the last date upon which bids will be received.

- d. Bids shall be in writing, filed with the Clerk, opened and read in public at the time and place named therefore in the advertisements, and after being opened, shall be filed for public inspection. Immediately after the award is made, the bid quotations obtained shall be recorded in the minutes of the Board and open to public inspection and shall be available by telephone inquiry.
- e. No bid may be considered for "public work" unless it is accompanied by a bid deposit in the form of a surety bond, postal money order, cash, cashier's check, or certified check in an amount equal to five percent of the amount of the bid proposed.
- f. The contract shall be awarded to the lowest responsible bidder. Any and all bids may be rejected for good cause. No contract may be awarded to a bidder whose bid was not in substantial conformance with the call for bids.
- g. The Board shall require from the successful bidder a contractor's bond in the amount and with the conditions imposed by law.
- h. If the bidder to whom the contract is awarded fails to enter into the contract and furnish the contractor's bond as required within ten (10) days after notice of the award, exclusive of the day of notice, the amount of the bid deposit shall be forfeited to the County and the contract awarded to the next lowest responsible bidder.
- i. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project.
- j. The bid deposits of all unsuccessful bidders shall be returned after the contract is awarded and the required contractor's bond given by the successful bidder is accepted by the Board.

3.2.2 Exceptions to Competitive Bidding Requirements (RCW 39.04.280; RCW 36.32.270)

Competitive bidding may be waived or is not required for:

- a. Purchases that are clearly and legitimately limited to a single source of supply (Board Resolution required)
- b. Purchases involving special facilities or market conditions (Board Resolution required)
- c. Purchases in the event of an emergency (Board Resolution required)

- d. "Public work" in the event of an emergency (Board Resolution required)
- e. Performance-based contracts, as defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A RCW.

3.2.3 Bid Deposits Procedure (RCW 36.32.250)

Bidders must submit either a bid bond or bid deposit when bidding on a project. In the event a bid deposit is received in the form of a postal money order, cash, cashier's check, or certified check, it shall be transferred to the Auditor with the following information:

- a. County Department and contact person
- b. Name of bidder
- c. Name of project
- d. Bid opening date

The Auditor will safeguard the funds until such time as the bids are opened and awarded and the bid deposit needs to be returned to the bidder. Upon notification, the Auditor will return the "deposit" to the appropriate County department for return to the bidder.

**3.3 Small Works Roster Requirements
("Public Work" projects between \$10,000 and \$200,000)**

The County does not currently utilize a small works roster. However, there are specific requirements per RCW 39.04.155 for establishing a small works roster. If a small works roster becomes desirable or necessary, notify the Risk Manager.

SECTION 4

Contract Information and Forms

4.0 Contracting Authority

The sole contracting authority of the County is the Board regardless of the dollar amount of the contract. (RCW 36.32.120(6)) No elected official, employee or agent can commit the County to a legally binding contract without the express, written consent of the Board. Upon occasion, the Board may delegate authority to certain County personnel to bind the County in contracts and agreements. (RCW 36.32.240) Any such delegation of authority must be set forth in a resolution, specifying the scope of authority, signed by the Board. A copy of any and all contracts signed pursuant to valid delegated authority must be sent to the Clerk of the Board for inclusion in the County's contract database.

4.0.1 Examples of Delegated Authority:

- Administrative Officer and Risk Manager: have authority to commit Skagit County to binding Vendor Services Agreements, and to Personal Services Agreements on matters relating to claims, litigation, mitigation, land acquisition and personnel. (Resolution No. 15946)
- The Administrative Officer/County Administrator: has authority to commit Skagit County to binding Personal Service Agreements and Vendor Service Agreements and other contracts where the maximum amount payable is less than five thousand (\$5,000). The Administrative Officer/County Administrator may further delegate that authority to a Department Head/Elected Official as he deems appropriate, via a memorandum of delegation of authority.
- The Prosecuting Attorney, the Chief Civil Deputy Prosecuting Attorney and the Civil Litigator: have authority to commit Skagit County to binding Personal Service Agreements on matters relating to claims, litigation, mitigation, land acquisition and personnel. (Resolution No. 15946)
- The Public Works Director, or his/her designee: has the authority to bind Skagit County in order to lease equipment in emergency situations to deal with problems relative to County roads. (Resolution No. 16337)
- Director of Parks, Recreation and Fair: has the authority to bind Skagit County by contract for the following: referees and official scorers in the Recreation Division; School Facilities Use Agreements; contracts associated with the operation of the Skagit County Fair; entertainment contracts for the Recreation Division; and for Instructional Services Contracts for the Recreation Division. (Resolution No. 16337)

- Director of the Public Defender’s Office: has the authority to enter into binding contracts for expert witnesses in pending criminal cases where the contract is for less than \$5,000 is approved by the Risk Manager and the pre-approved Personal Service Agreement form is used. These contracts must be routed to the Clerk of the Board for entry into the County’s database system once the criminal case has been resolved. (Resolution No. 20020106)
- Guest Speaker Contracts under \$500: Contracts with persons/companies for the provision of guest speaker services for less than \$500 may be approved by the Department Head or Elected Official as long as the Guest Speaker Contract Form is used. (App. D) (Resolution No. 20020106)

4.1 Insurance Requirements

Insurance, and proof thereof, is required on all construction and vendor contracts and the majority of service contracts. Risk Management is responsible for determining the appropriate insurance limits and requirements for any given contract. There are general insurance limits which are incorporated into the Personal Services Agreement form and the Vendor Services Agreement form. If the department desires to deviate from the general limits, the department should contact the Risk Manager during the specification of scope of work process. If a Request for Proposal is not part of the process, the consultant should be informed ahead of time of the insurance requirements.

The County should be named as an additional insured, which gives the County the same rights as the named insured under the policy, i.e., the County can file a claim directly to the insurance company. Insurance companies affording coverage should be rated in the BEST KEY RATING GUIDE as A- or better. Thirty (30) days written notice of cancellation of any policy is required and the County should be named as a certificate holder. If the insurance policy is due to expire during the term of the contract, a renewal certificate in the proper amounts should be received by the County by the expiration date of the policy, or the work should be halted until it is received.

GENERAL INSURANCE REQUIREMENTS

<u>Type of Contract</u>	<u>Type of Insurance</u>	<u>Insurance Limit</u>
1. “Public Work” Contracts and Vendor Services Agreements	General Liability	\$1,000,000/2,000,000 [check with Risk Manager for specific amount]
2. Professional/Personal Services Agreements	General Liability or Professional Liability	\$1,000,000

4.2 Contract/Agreement Approvals

Prior to the Board signing any contract, Personal Services Agreement, lease or rental agreement, the contract should be signed by the Contractor and the following approvals secured:

- a. Department Head/Elected Official: approves as to substance of the contract.
- b. Chief Civil Deputy Prosecuting Attorney or his/her designee: review to ensure proper contracting authority and form of the legal document only. (Resolution 16400)
- c. Risk Manager: reviews to ensure acceptable hold harmless, indemnification and insurance provisions.
- d. Budget/Finance Director: reviews to ensure that funds exist and the expense is allocated to the appropriate BARS code.

Upon approval, the signed contract/agreement is submitted to the Clerk of the Board for inclusion on the Board's agenda for approval. All contracts to be submitted to the Board for approval should be accompanied by a Document Routing Form. (App. E)

4.2.1 Exceptions:

- Delegated Authority: See Section 4.01
- Emergencies: If the Board makes a finding that an emergency requires the immediate execution of the work involved, the work may proceed before a contract has been entered into with the contractor. The Board must comply with applicable laws limiting emergency expenditures and must pass a Resolution declaring an emergency. In the event of an emergency, the Department Head will contact two members of the Board, individually, for verbal approval of the necessary work and follow up with a contract that will be routed the usual approvals as soon as is reasonably possible.

4.3 Personal Service Agreements

The Personal Service Agreement form (App. F) should be used for agreements for personal services and professional services. **Personal Service Agreements generally should not exceed a two-year time period.**

Personal Services Agreements are performed by the person ("Contractor") as an "independent contractor." Qualifications and performance are the primary considerations in selection of the Contractor with price being secondary or subject to negotiation. Contracts for personal services do not need to follow any particular bid procedures, although the Request for Qualifications process may be helpful.

4.4 Vendor Service Agreements

Generally, vendor services are services for the provision of supplies, materials and/or equipment for general government purposes, e.g. for routine equipment maintenance services. This includes services that essentially can be performed by any competent or skilled worker, e.g., data-entry services or landscape maintenance services. (This does not include services for a "public work" project.)

Vendors to be used by the County should be licensed, bonded and insured Contractors that are known to be reputable and guarantee their service and/or provide warranties for their products. A Vendor Services Agreement form should be used for all contracts with vendors. (See App. C)

4.5 Interlocal Agreements

Interlocal Agreements are agreements between or amongst two or more public agencies for the provision of services, facilities, or grants. "Public agency" is defined as "any agency, political subdivision or unit of local government...; any agency of the state government; any agency of the United States; any Indian tribe recognized by the federal government; and any political subdivision of another state." (RCW 39.34.020) Local government units include municipal corporations, special purpose districts and local service districts. (RCW 39.34.020)

The purpose of the statute is to enable public agencies to cooperate in the provision of services and facilities within their powers, so as to make the most efficient use of those powers. Typical services covered by interlocal agreements include jail, law enforcement, and code enforcement services. An interlocal agreement also allows for the joint use of equipment, personnel and facilities.

Unless there is statutory authority for the agreement other than RCW 39.34, any agreement between two or more governmental agencies must have a Resolution signed by the Board authorizing the interlocal agreement, in addition to the contract/agreement itself.

4.5.1 Types of interlocal agreements:

- **Service Contract**
Under this type of interlocal agreement, one unit of local government contracts with another to provide one or more services for a stated amount. One government entity is the supplier of the service and the other pays for the service. This is the most common method of intergovernmental contracting. Grants are included in this category.
- **Joint Agreement**
This type of interlocal agreement involves the establishment of a joint entity or an administrative board to oversee a joint project. An example of this type of interlocal agreement would be the Skagit 911 Center.
- **Memorandum Of Understanding**
This agreement takes the form of a mutual aid agreement between or amongst public agencies but in this context there is no definite written contract but merely an informal understanding.

4.5.2 Requirements for Interlocal Agreements

All interlocal agreements entered into pursuant to Chapter 39.34 RCW must comply with the requirements of Chapter 39.34 RCW. A generic draft form for an Interlocal Agreement is attached as Appendix G. Agreements must address and specify certain terms and conditions. RCW 39.34.030:

Agreements where no separate entity is formed must specify the following:

- a. Duration
- b. Purpose
- c. Manner of financing entity
- d. Means of partial/complete termination and disposition of property upon termination
- e. Provision for administrator/joint board, and if joint board, public agencies to be represented
- f. Manner for acquisition and disposition of real and personal property used pursuant to the agreement.
- g. Other necessary, proper matters

Agreements where a separate, joint entity is formed must specify the following:

- a. Duration
- b. Precise entity to be formed, enumerating legal powers of entity delegated to such
- c. Purpose
- d. Manner of financing entity, including establishment and maintenance of its budget
- e. Means of partial/complete termination and disposition of property upon termination
- f. Other necessary, proper matters

4.5.3 Authorizing Resolution:

In addition, all interlocal agreements must be authorized by resolution, ordinance or otherwise by law. A copy of the authorizing resolution should accompany the interlocal agreement when processed for signature. (See App. H) There is specific statutory authority for some state agency/county contracts, e.g., contracts with the Department of Transportation for maintenance of public roads (RCW 36.75.030 & .035), and contracts with DSHS for public health (RCW 70.12.015, .040, .050, and 70.96A.040-.045). Thus, a resolution would not be required for those types of interlocal agreements.

4.5.4 Recording (RCW 39.34.040)

All agreements entered into with other governmental jurisdictions pursuant to Chapter 39.34 RCW must be recorded with the County Auditor. The Auditor's office has special formatting requirements for recording that must be adhered to:

- (1) The first page of the document to be recorded shall contain the following:

- a. A top margin of at least three inches and a one-inch margin on the bottom and sides;
 - b. The top left-hand side of the page shall contain the name and address to whom the document will be returned.
 - c. The title or titles of the document to be recorded indicating the kind or kinds of transactions contained therein;
 - d. Reference numbers of documents assigned or released with reference to the document page number where additional names are, if applicable;
 - e. The names of the “grantor(s)” (first government entity) and “grantee(s)” (second government entity) with reference to the document page number where additional names are, if applicable;
 - f. If the agreement concerns a real estate transaction, an abbreviated legal description of the property, including lot, block, plat, or section, township, and range, and reference to the document page number where the full legal description is included, if applicable;
 - g. If the agreement concerns a real estate transaction, the assessor’s property tax parcel or account number.
- (2) All pages of the document shall be on sheets of paper of a weight and color capable of producing a legible image that are not larger than fourteen inches long and eight and one-half inches wide with text printed or written in eight (8) point type or larger.
- (3) The document must have a one-inch margin on the top, bottom, and sides for all pages except page one, be prepared in ink color capable of being imaged, and have all seals legible and capable of being imaged.

A recording cover page may be used in lieu of these formatting requirements. (See App. I)

4.6 Contract Forms

There are standard contract forms for Personal Services Agreements (PSA), Vendor Services Agreements (VSA) and Interlocal Agreements (IA) that can be found within Skagit County’s internal website and are attached as App. F, App. C and App. G, respectively. The PSA and VSA forms have already been approved by the Board as to the general content of the language of the agreements. These should be used for all County contracts for Personal Services and Vendor Services. While the Board has approved these forms, the Board still must sign each specific contract.

The forms may be modified if a particular section or clause does not apply to a specific contract. If a particular clause or section is not applicable, a strikethrough may be used to reflect the deletion, but the clause or section should not be physically deleted from the agreement. The following section headings or clauses should be included in all agreements:

- a. Scope of the contractor’s service
- b. Beginning date of contract

- c. Ending date of contract. This should not be excluded from the contract as it does ensure that the work will be performed within a reasonable amount of time. **Contracts should normally not exceed two (2) years in duration.**
- d. Maximum amount of compensation
- e. Accounting information (GL expenditure coding and payment schedule for contractor services)
- f. Independent contractor
- g. Taxes
- h. Regulations and requirements
- i. Defense and indemnity agreement
- j. Severability
- k. Waiver
- l. Internal Revenue form W-9 (This form is required in order to process payment in favor of the contractor. The original form must be obtained with Federal Tax Identification number listed, the name of the contractor's business, and the contractor's signature.)

Once a contract has been signed by the required signatories, a copy of the contract must be sent to the Clerk of the Board for inclusion in the County's contract database system. The Clerk shall assign a contract number to the contract.

4.6.1 Contract Amendments

The Contract Amendment Form is the appropriate form to use if a supplement or amendment to an original contract is necessary. (App. J) The original contract title and number, plus any and all affected amendments and the purpose of the supplement/amendment, should be included in the language of the supplement/amendment.

4.6.2 Non-Standardized Contract Forms

If at all possible, it is preferable that staff use the existing standard contract forms. The PSA, VSA, and Guest Speaker forms have been formally adopted by the Board. However, in the event that a different format is necessary, the contract must still be reviewed according to the process listed in Section 4.2 and must be approved by the Board. For example, when contracting with the State, typically the State's contract form is used.

4.7 Contract Change Orders

A contract change order is any written modification in the terms of a contract. This generally applies to the Facilities and Public Works departments only.

4.7.1 Contract Change Order Authority

The Director of Facilities Management may approve and sign Construction Change Orders up to 10 percent of the original contract amount per modification, but shall not exceed the established contingency level without prior approval from the Board.

The County Engineer may execute construction change orders up to 10 percent of the contract bid award dollar amount, however, construction change orders in excess of 10 percent of the contract award are to be executed by the County Engineer and the Board. (Resolution No. 17106)

4.7.2 Change Orders

All Change Orders must contain the County Contract Number from the original contract. Preferably, the number should be placed at the top of the form next to the Change Order Number.

4.8 Retainages/Holdbacks (RCW 60.28.011)

Retainages and holdbacks are only required for construction contracts. A retainage bond may be used in lieu of a retainage or holdback.

County construction contracts shall provide for and the County shall reserve a contract retainage not to exceed five (5) percent of moneys earned by the contractor. The retainage acts as a trust fund for the protection and payment of: a) the claims of any person arising under the contract; and b) the state with respect to taxes imposed under Title 82 RCW.

4.8.1 Retainage Placement Upon Receipt

The moneys reserved by Skagit County under the provisions of a construction contract, at the option of the contractor, shall be:

- a. Retained in a fund by Skagit County
- b. Deposited by Skagit County in an interest bearing account in a bank, mutual savings bank, or savings and loan association;
- c. Placed in an escrow account with a bank or trust company by Skagit County. This check shall be converted into bonds and securities chosen by the contractor and approved by Skagit County and bonds and securities shall be held in escrow. Interest on the bonds and securities shall be paid to the contractor as the interest accrues
- d. Copy of the retainage agreement must be forwarded to the managing department along with the contract and other relevant documents.

4.8.2 Process Upon Completion of Contract Work

- a. After completion of all contract work other than landscaping, contractor may request that Skagit County release and pay in full the amounts retained (other than continuing retention of five percent of the moneys earned for landscaping) subject to provisions of RCW Chapters 39.12 and 60.28.

- b. Department fills out Form RV310020 (1-17-96) Notice of Completion of “Public Work” Contract and sends it to Department of Revenue
- c. Sixty days after completion of all contract work the department must release and pay in full the amounts retained during the performance of the contract subject to the provisions of Chapters 39.12 and 60.28 RCW.
- d. For contracts over \$20,000, before releasing the entire retainage, regardless of the 60-day limit, the department must obtain: 1) a certificate from the Department of Revenue signifying that all applicable use and sales taxes have been paid and that the Department releases its lien rights (RCW 60.28.051 & RCW 60.28.060); 2) a copy of the approved Affidavit of Wages Paid from the Contractor regardless of the 60-day limit; and 3) a letter from the Department of Labor & Industries that releases Skagit County from any further liability for industrial insurance premiums.
- e. The department should verify receipt of Certificate of Payment of Contributions, Penalties and Interest on Public Work Contracts (EMS 8449 760 R7-84) from Employment Security Department Division of Washington State Department of Labor and Industries. This Certificate ensures contractor and subcontractors have paid any taxes due Employment Security Dept and that Employment Security has released its lien on the retainage per RCW 60-28-040.
- f. If liens are filed, but Department of Revenue and Department of Labor and Industries clearances have been obtained, be prepared to release all the retainage except that required to satisfy the liens when the 60-day limit for retainage release RCW 60.28.011(3)(b) is up.

A copy of the retainage letter to the contractor and escrow agreement forms can be found on-line within Skagit County’s web page.

**4.9 Prevailing Wages
(RCW 39.12.010)**

All “public work”, including maintenance, when performed by contract shall comply with the provisions of RCW 39.12.020, et seq., requiring the payment of prevailing wages to laborers, workers or mechanics on all such contracts.

SECTION 5

Real Property Acquisitions

5.0 Land Acquisitions

Generally, all real estate transactions, excluding right of way acquisitions and tax title properties, but including rental and lease options, should go through the Director of Facilities Management for review before presentation to the Board. Land acquisitions within the Public Works Department should go through the County Engineer.

5.0.1 Land Acquisitions through Facilities

The general process for land acquisitions involves hiring an appraiser to obtain a fair market value, reviewing results of the appraisal, consolidating the appraisal into report format, and presenting such information to the Board in executive session to discuss the parameters of a potential offer to the land owner(s).

5.0.2 Right of Way Acquisitions

Contact the County Engineer in the Public Works Department for further detail.

5.0.3 Acquisition of Park Property

The County may acquire real property (or any interest therein) for parks, recreational, viewpoint or greenbelt purposes, or for the conservation of land or natural resources. (RCW 36.34.340)

5.1 Lease of Real Property

When the county desires to lease property from a private individual and/or business, the Director of Facility Management negotiates in the best interest of the county. Upon completion of negotiation with the property owner(s), the Director of Facility Management prepares and presents a report to the Board for discussion. Consideration is given to such issues as potential business related conflicts of interest when a final determination is made. All leases of real property must be reviewed with the Director of Facility Management prior to any negotiations with property owner(s).

RCW 36.34 provides specific detail regarding leasing county-owned property to private individuals and/or businesses. An application for lease of County real property shall be submitted to the Board and then the board must issue a Notice of Intent to Lease and hold a public hearing. (See RCW 36.34.190).

No lease may be entered into by the county legislative authority or by any elected or appointed officer of the county until after bids have been submitted to the county. The county shall use the same procedures specified in RCW 36.32.245 and 39.04.190 for

awarding contracts for purchases when it leases property from the lowest responsible bidder.

Definitions

Note: Unless the context clearly requires otherwise, the definitions listed below shall apply throughout this policy and procedures manual.

Administrative Officer – The County Administrator

Application - A completed statement of qualifications together with a request to be considered for the award of one or more contracts for professional services.

Board – Board of County Commissioners, the legislative authority for Skagit County.

Clerk – Clerk of the Board of Skagit County Commissioners

Consultant - Any person providing Personal Services who is not an employee of the agency for which the services are provided.

Contractor - The entity that is entering into a contract with the County.

Department – refers to departments of the County, including the offices of elected officials.

Emergency - Unforeseen circumstances beyond the control of the municipality 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. (RCW 39.04.280)

Emergency Exception – An exception to the competitive bidding requirement. In the event of an emergency and upon resolution of the Board declaring the existence of such emergency and reciting the facts constituting the same, the Board may waive the requirements of RCW 36.32 with reference to any purchase or contract. (RCW 36.32.270; 39.04.280)

Interlocal Agreements - Interlocal Agreements are agreements between or amongst two or more public agencies for the provision of services or facilities. There are three (3) basic types of interlocal agreements: “Service Contract”, “Joint Agreement” and “Memorandum of Understanding”.

Letter – written document, including e-mail.

Maintenance – Activities related to “keeping existing facilities in a good, usable, operational condition.” (WAC 296-127-010(7)(a)(iv))

Ordinary maintenance – Work performed on a regularly scheduled basis to service, check, or replace items that are not broken; or that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary. (See WAC 296-127-010(7)(b)(iii))

Person - Any individual, organization, group, association, partnership, firm, joint venture, corporation, or any combination thereof.

Personal Service - Professional expertise provided by a consultant to accomplish a specific study, project, task, or other work statement that requires professional expertise in which a special skill or ability of a highly technical or scientific nature is required, or the exercise of artistic judgment or advanced education or knowledge is required to accomplish the task(s).

Professional Services - Services rendered by architects, engineers, land surveyors, structural designers, and landscape architects. (RCW 39.80.020)

Public Work - The term “public work” shall include all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. It is not to be confused with work performed by or at the request of the Public Works Department.

Request for Proposals (RFP) – Defines the work to be performed, the expected qualifications of the vendor and solicits price quotes.

Request for Qualifications (RFQ) – An advance publication of an agency's requirement for Professional or Personal Services.

Responsible Bidder – A responsible bidder is determined by considering the bidder's ability, capacity, and skill regarding the contract or service; the bidder's reputation and experience; the bidder's demonstrated ability to perform the contract within the time specified; the quality of performance of the bidder's previous contracts or services; and the bidder's previous or current compliance with laws related to the contract or services.

Sole Source Exception - One of three (3) limited exceptions to the competitive bidding requirement. This exception provides that where the municipality can only procure a certain product from one source, and it would be futile to go to competitive bidding for such product, requirement for competitive bidding may be waived. “Sole source” must have a genuine and proven basis.

Vendor - A person who sells goods or services.

Vendor Services - Services provided by a vendor to accomplish routine, continuing and necessary functions. (See RCW 39.29.006(9))