

ORDINANCE NO. 793

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON
AMENDING CHAPTER 2.60 PURCHASING OF THE SHORELINE
MUNICIPAL CODE**

WHEREAS, with Chapter 2.60 of Shoreline Municipal Code (SMC) the City has adopted regulations to direct the contracting for public works, goods, services, and real property; and

WHEREAS, SMC 2.60 requires housekeeping amendments to delete the defunct title of Purchasing Officer and replace it with the current title of Administrative Services Director and to delete specific dollar or percentage amounts that are based on Revised Code of Washington (RCW) provisions that are subject to amendment; and

WHEREAS, in the 2017 Legislative Session, with the passage of SB 5734, RCW 39.08.010 was amended to increase the dollar threshold amount for when the City may, in lieu of a bond, retain a percentage of the contract amount from \$35,000 to \$150,000 and SB 5734 also reduced the percentage amount the City may retain from fifty percent (50%) to ten percent (10%); and

WHEREAS, SMC 2.60.070(B) establishes a \$3,000 threshold from when contracts are required for the purchase of services and is recommended to be update to reflect current purchasing practices; and

WHEREAS, on August 14, 2017, the City Council held a study session on the proposed amendments to SMC Chapter 2.60; and

WHEREAS, the City Council has determined that the proposed amendments are in the best interests of the City of Shoreline;

**THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,
WASHINGTON DO ORDAIN AS FOLLOWS:**

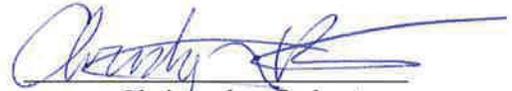
Section 1. Amendment to SMC Chapter 2.60. Shoreline Municipal Code Chapter 2.60 is amended as set forth in Exhibit A to this Ordinance.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 3. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to any person or situation.

Section 4. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall take effect five days after publication.

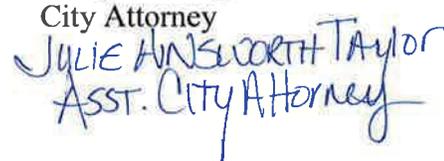
PASSED BY THE CITY COUNCIL ON SEPTEMBER 18, 2017.


Mayor Christopher Roberts

ATTEST:

APPROVED AS TO FORM:


Jessica Simulcik Smith
City Clerk


Margaret King
City Attorney

Julie Answorth Taylor
Asst. City Attorney

Date of Publication: September 21, 2017
Effective Date: September 26, 2017

Chapter 2.60

PURCHASING

Amendment to Section 2.60.030 Definitions – Subsection (F)

F. “Small works roster” is a roster of qualified contractors maintained for use in a modified formal bid process. When the contract amount for a public works project is ~~\$200,000 or less~~ than the dollar threshold for small public works projects as provided under RCW 39.04.155, as amended, ~~a~~ the city may follow the small works roster process for construction of a public work or improvement as an alternative to formal competitive bid requirements.

Amendment to Section 2.60.050 Purchase of materials, supplies or equipment - Subsection (C)

C. Informal Competitive Quotes.

1. A city representative shall make an effort to contact at least three vendors. The number of vendors contacted may be reduced if the item being sought is only available from a smaller number of vendors. When fewer than three quotes are requested or if there are fewer than three replies, an explanation shall be placed in the procurement file.
2. Whenever possible, quotes will be solicited on a lump sum or fixed unit price basis.
3. At the time quotes are solicited, the city representative shall not inform a vendor of any other vendor’s quote.
4. A written record shall be made by the city representative of each vendor’s quote on the materials, supplies, or equipment, and of any conditions imposed on the quote by such vendor.
5. All of the quotes shall be collected and presented at the same time to the city manager or designee as appropriate for consideration, determination of the lowest responsible vendor and award of purchase.
6. Whenever there is a reason to believe that the lowest acceptable quote is not the best price obtainable, all quotes may be rejected and the city may obtain new quotes or enter into direct negotiations to achieve the best possible price. In this case, ~~the purchasing officer~~ Administrative Services Director or his/her designee shall document, in writing, the basis upon which the determination was made for the award.

Amendment to Section 2.60.060 Public works projects- Subsections (D) and (G)

D. Small Works Roster. There is established for the city of Shoreline a small works roster contract award process for accomplishment of public works projects with an estimated value threshold as provided under RCW 39.04.155, as amended. The city may create a single small works roster, or may create small works rosters for different categories of anticipated work.

1. Roster List. ~~The purchasing officer shall establish the~~ small works roster or rosters which shall consist of all responsible contractors who have requested to be on the list, and where required by law, are properly licensed or registered to perform such work in the state of Washington. In addition to

mandatory criteria for determining a responsible vendor under RCW 39.04.350, ~~the purchasing officer may add~~ other criteria listed in SMC 2.60.050(E) may be added, ~~including the basis for evaluation, in determining responsible vendors.~~

2. Publication. At least once a year, the city shall publish in a newspaper of general circulation within the city the 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. An interlocal contract or agreement between the city of Shoreline and other local governments establishing a small works roster or rosters to be used by the parties to the agreement or contract must clearly identify the lead entity that is responsible for implementing the small works roster provisions.

3. Prequalification and Appeal. Any contractor whose request to be on the list has been denied may appeal within 10 days after the denial ~~by the purchasing officer~~ to the city manager, and the city manager will make a decision within 30 days of the notice of appeal. Any contractor whose appeal to be on the list has been denied by the city manager may appeal, within 10 days after the denial by the city manager, to the city council, and the city council shall hold a hearing on the issue and make a decision within 45 days of the notice of appeal. A denial that is not appealed or that is appealed and results in a final decision against the contractor prevents the contractor from applying to be on the list for a period of one year from the initial application.

4. Process. Whenever work that has received city council approval in the current budget, or otherwise been approved by the city council, is sought to be accomplished using a small works roster, a city representative shall obtain telephone, written or electronic quotations from contractors on the appropriate small works roster to assure that a competitive price is established and to award contracts to the lowest responsible bidder as follows:

a. A contract awarded from a small works roster need not be advertised. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes.

b. Quotations may be invited from all appropriate contractors on the appropriate small works roster, sending a notice to these contractors by facsimile or other electronic means.

c. For purposes of this policy, “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 representative shall not inform a contractor of the terms or amount of any other contractor’s bid for the same project.

d. 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 recorded, open to public inspection, and available by telephone inquiry.

e. At least once every year a list of the contracts awarded under this process are to be furnished to the city council and made available to the general public. The list shall contain the name of the contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items purchased under the contract, and the date it was awarded. The

list shall also state the location where the bid quotations for these contracts are available for public inspection.

5. Determining Lowest Responsible Bidder. Where bidders have not been prequalified, the city shall award the contract for the public works project to the lowest responsible bidder; provided, that whenever there is a reason to believe that the lowest acceptable bid is not the best price obtainable, all bids may be rejected and the city may call for new bids.

6. Cancellation of Invitations for Quotations. An invitation for quotations may be canceled at the discretion of the administrative services director. The reasons shall be made part of the contract file. Each invitation for quotations issued by the city shall state that the invitation may be canceled. Notice of cancellation shall be sent to all parties that have been provided with a copy of the invitation. The notice shall identify the invitation for quotations and state briefly the reasons for cancellation.

G. Bid Deposit and Performance Bond for Public Works Improvement Projects. Whenever competitive quotes or bids are required, a bidder shall make a deposit in the form of a certified check or bid bond in an amount equal to not less than five percent of the total bid, which percentage shall be specified in the call for bids. As part of any bid submitted, the bidder shall be required to warrant that the bid is a genuine bid, and that he/she has not entered into collusion with any other bidder or any other person.

All public works contractors shall furnish a performance bond in an amount equal to the total amount of the contract on a form approved by the city attorney. In lieu of a performance bond on contracts less than the dollar threshold provided under RCW 39.08.010, as amended, a contractor may request to have the city accept the percentage allowed by RCW 39.08.010 ~~choose to have 50 percent~~ of the contract retained for a period of 30 days after the 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. Following the provisions of RCW 39.08.030 the city may, at its option, reduce the amount of a performance bond to not less than 25 percent of the total contract amount for on-call and scheduled maintenance contracts.

Amendment to Section 2.60.070 Services – Subsection B

B. Contract or Purchase Order Required. The purchase of services require that the city enter into a contract or purchase order for that service, with the exception of temporary employment agency services, and ~~standard~~ services with a total cost of \$3,000 or less in a calendar year, ~~such as auto repair, title reports, printing and messenger/process service~~. Departments are allowed to make these purchases administratively in accordance with procedures adopted and approved by the city manager.