

**PUBLIC UTILITY DISTRICT NO. 1  
JEFFERSON COUNTY, WASHINGTON**

**RESOLUTION NO. 2012 - 011**

**A RESOLUTION** of the Commission of Public Utility District No. 1 relating to contracts and procurement; amending policies and procedures for the use of small works rosters to accomplish District projects and for acquisition of District materials, equipment or supplies; establishing a vendor list process for the purchasing of materials, equipment or supplies and a small works roster process to award public works contracts; repealing Resolution No. 90-313, and other resolutions inconsistent herewith.

WHEREAS, Public Utility District No. 1 of Jefferson County (PUD) is subject to certain statutory contracting requirements for public works and for acquisition of material, equipment or supplies; and,

WHEREAS, the Washington State Legislature from time-to time adopts standards for contracts and procurement, including increasing the dollar threshold for use of various procedures; and,

WHEREAS, Washington law permits the PUD to use of the small works roster process including a procedure for securing telephone and/or written quotations from contractors on the small works roster that assures competitive pricing and awarding to the lowest responsible bidder or proposer; and

WHEREAS, the PUD has not updated since 1990 its procedures for use of small works rosters; and

WHEREAS, it is necessary and appropriate to adopt revised small works roster policies and procedures to incorporate current law;

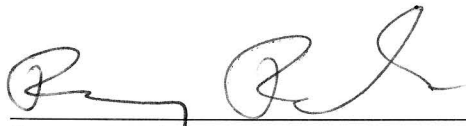
NOW, THEREFORE, be it resolved by the Commission of Commissioners of Public Utility District Number One of Jefferson County

Section 1.     Procurement Procedures. The procurement procedures, including procedures for establishment, updating and the securing telephone and/or written quotations from the District's small works roster(s), set forth in the attached "Small Works Roster Regulations," are hereby adopted.

Section 2.     Repealer. Resolution 90-313, and any other resolution or act of the Commission inconsistent herewith, be and the same are hereby repealed.

Section 3. Ratification and Confirmation. Any act prior to but in conformance with the authority of this Resolution, is hereby ratified and confirmed.

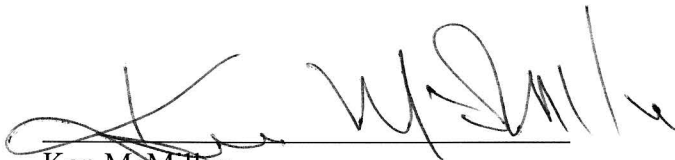
ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a regular open public meeting held this 17<sup>th</sup> day of July, 2012.



Barney Burke,  
President



Wayne King,  
Vice President



Ken McMillen,  
Secretary

# **Public Utility District No. 1**

**Jefferson County, Washington**

## **Small Works Roster Regulations**

**Section 1. Purchase of materials, equipment or supplies not connected to a public works project in an amount of \$15,000 or less.** The PUD is not required to use informal or formal sealed bidding/proposal procedures or the procedures set forth in these Regulations to purchase materials, equipment or supplies where the cost of same will not exceed \$15,000, exclusive of sales tax. Under RCW 54.04.070, any item, or items of the same kind of materials, equipment, or supplies purchased, the estimated cost of which is in excess of fifteen thousand dollars, exclusive of sales tax, shall be by contract. The PUD may make purchases of the same kind of items of materials, equipment and supplies not exceeding \$7,500 in any calendar month without a contract, purchasing any excess thereof over \$7,500 by contract.

**Section 2. Purchase of materials, equipment or supplies not connected to a public works project in an amount between \$15,000 and \$300,000, exclusive of sales tax.** See RCW 54.04.070 and RCW 39.04.155.

**2.1. Publication Of Notice.** At least twice a year, the PUD shall publish, in the PUD's official newspaper (and such other such other sources as determined by the District Manager, notice of the existence of a roster(s) of vendors for materials, equipment or supplies (including vehicles and products), and shall solicit names of vendors for the roster or rosters.

**2.2. Electronic Rosters.** In addition to paper and/or electronic vendor lists kept on file in the appropriate department, the PUD may also use that state-wide electronic database developed and maintained jointly by the Daily Journal of Commerce and the Municipal Research and Services Center of Washington.

**2.3 Telephone Quotations.** The PUD shall use the following process to obtain telephone quotations from vendors for the purchase of materials, equipment or supplies:

2.3.1 A written description shall be drafted of the specific materials, equipment or supplies to be purchased, including the number, quantity, quality, and type desired, the proposed delivery date, and any other significant terms of purchase;

2.3.2 A PUD representative shall make a good faith effort to contact at least three (3) of the vendors on the roster to obtain telephone solicitation quotations from the vendors for the required materials, supplies, or equipment;

2.3.3 The PUD representative shall not share telephone quotation from one vendor with other vendors solicited for the bid on the materials, equipment or supplies;

2.3.4 A written record shall be made by the PUD representative of each vendor's proposal on the materials, equipment or supplies, and of any conditions imposed on the proposal by such vendor;

2.3.5 The PUD representative shall present to the Commission all telephone quotations and a recommendation for award of the contract to the lowest responsible proposer.

**2.4. Determining the Lowest Responsible Bidder.** The PUD may proceed to purchase the materials, equipment or supplies from the lowest responsible proposer, provided that whenever there is reason to believe that the lowest acceptable proposal is not the best price obtainable, all proposals may be rejected and the PUD may call for new proposals. The PUD, in determining the lowest responsible proposer may consider the following factors (see RCW 43.19.1911(9)):

2.4.1 The ability, capacity, and skill of the proposer to perform the contract or provide the service required;

2.4.2 The character, integrity, reputation, judgment, experience, and efficiency of the proposer;

2.4.3 Whether the proposer can perform the contract within the time specified;

2.4.4 The quality of performance of previous contracts or services;

2.4.5 The previous and existing compliance by the proposer with laws relating to the contract or services; and,

2.4.6 Such other information as may be secured having a bearing on the decision to award the contract:

**2.5 Life Cycle Cost.** In considering proposals for purchase, manufacture, or lease, and in determining the lowest responsible proposal, whenever there is reason to believe that applying the "life cycle costing" technique to evaluation of proposals would result in lowest total cost to the PUD, first consideration shall be given by PUD purchasing activities to the proposal with the lowest life cycle cost which complies with PUD specifications. "Life cycle cost" means the total cost of an item to the PUD over its estimated useful life, including costs of selection, acquisition, operation, maintenance, and where applicable, disposal, as far as these costs can reasonably be determined, minus the salvage value at the end of its estimated useful life. The "estimated useful life" of an item means the estimated time from the date of acquisition to the date of replacement or disposal, determined in any reasonable manner.

## **2.6 Miscellaneous.**

2.6.1 Nothing in this Section 2 shall prohibit the PUD from allowing for preferential purchase of products made from recycled materials or products that may be recycled or reused.

2.6.1 When there is reference to “purchase” in this Section 2, such term shall include purchase, lease, lease-purchase or other method of acquisition.

2.7 **Award.** The PUD Commission shall review quotations and recommendation by PUD staff and award the contract to the lowest responsible proposer. When there is a reason to believe that the lowest acceptable proposal is not the best price obtainable or the criteria in Section 2.4 are not adequately satisfied to the PUD’s satisfaction, all proposal may be rejected and the PUD Commission may call for new bids. A written record of each vendor's quotations shall be made open to public inspection or telephone inquiry after the award of the contract. Any contract awarded under this Section 2 need not be advertised.

2.6 **Posting.** A list of all contracts awarded under these procedures shall be posted at PUD’s main administrative offices once every two 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, and the date it was awarded.

### **Section 3. Alternative bid procedure.**

3.1 For the awarding of a contract to purchase any item, or items of the same kind of materials, equipment, or supplies in an amount exceeding fifteen thousand dollars per calendar month, but less than sixty thousand dollars per calendar month, exclusive of sales tax, the Commission may under RCW 54.04.082, in lieu of the procedure described in RCW 54.04.070 and 54.04.080 (requiring public notice to invite sealed proposals for such materials, equipment, or supplies), use the process provided in RCW 39.04.190. Waiver of the deposit or bid bond required under RCW 54.04.080 may be authorized by the Commission in securing such bid quotations.

3.2. For purposes of these Regulations, “same kind of materials, equipment or supplies means the same type *{brand?}* and style of product, material, supplies, vehicle or equipment.

**Section 4. Public Works – Small Works Roster.** The following small works roster procedures are established for use by the PUD pursuant to RCW 54.04.070 and chapter 39. 04 RCW.

4.1. **Cost.** The PUD need not comply with formal sealed bidding procedures for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost does not exceed Three Hundred Thousand Dollars (\$300,000.00), which includes the costs of labor, material, equipment and sales and/or use taxes as applicable. Instead, the PUD may use the small works roster procedures for public works projects as set forth herein. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process

4.2 **Number of Rosters.** The PUD may create a single general small works roster, or may create a small works roster for different specialties or categories of anticipated work. Those small works rosters may make distinctions between contractors based upon different geographic areas served by the contractor.

4.3 **Contractors on Small Works Roster(s).** The small works roster(s) shall consist of all responsible contractors who have requested to be on the roster(s), and where required by law are properly licensed or registered to perform such work in this state. Contractors desiring to be placed on a roster or rosters must keep current records of any applicable licenses, certifications, registrations, bonding, insurance, or other appropriate matters on file with the PUD as a condition of being placed on a roster or rosters.

4.4. **Publication.** At least once a year, the PUD shall publish in a newspaper of general circulation within Jefferson County (and such other sources as determined by the District Manager) 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 PUD 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 PUD 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.

4.5. **Electronic Rosters.** In addition to paper and/or electronic rosters kept on file in the appropriate department, the PUD may also use that state wide electronic database developed and maintained jointly by the Daily Journal of Commerce and the Municipal Research and Services Center of Washington.

4.6. **Telephone or Written Quotations.** The PUD 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/proposer.

4.6.1 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 paragraph does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with uniform codes.

4.6.2 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 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.

4.6.3 If the estimated cost of the work is from one hundred fifty thousand dollars to three hundred thousand dollars, the PUD 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.