LEWIS COUNTY

PROCUREMENT POLICY

Effective August 1, 2023

Lewis County Procurement Policy

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1. PURPOSE

The Procurement Policy establishes the authority and responsibility of Offices and Departments in the Procurement process and ensures compliance with state and federal law. In addition, it:

- Provides fair and equitable treatment for those interested in bidding on County contracts or otherwise providing goods and services.
- Helps guard against fraud and favoritism when awarding County contracts or purchasing goods and services.
- Advances the goal that County contracts are performed satisfactorily, efficiently and at the lowest cost to the public.
- Ensures purchasing practices maximize the value received when spending public funds, while providing transparency.
- Achieves uniformity and efficiency among Offices and Departments in the Procurement processes.
- Promotes the acquisition of good and services with respect to human rights and ethical behavior.

2. SCOPE

Unless exempted in section 5, this manual applies to:

- Purchasing any good or service by the County
- Leasing real or personal property by the County
- Contracts for public works projects

It is intended for all Elected Officials, departments, employees, and agents of the County to read, understand, and comply with this manual, except where otherwise governed by federal or state law. Offices and Departments may develop their own, internal policies which may be more detailed or more stringent than the minimum County requirements listed in this manual. Elected Officials, Directors, and employees who violate federal or state laws and regulations regarding contracting and purchasing are subject to RCW 39.30.020. Directors and employees who violate this manual may be disciplined, up to and including termination.

Nothing in this manual shall prevent the County from complying with the terms and conditions of any grant, gift, or bequest which is otherwise consistent with law, provided the grant, gift, or bequest does not obligate another Office or Department to incur unanticipated expenses without its approval.

3. CODE OF ETHICS

All Elected Officials, employees, and agents of the County should conduct themselves in a manner that is in the best interest of Lewis County and maintains the public's confidence in the County's integrity. A perception that public officials are using the procurement system to reward themselves, their friends, or supporters, compromises the Public's confidence in government. Elected Officials, employees, and agents may not participate in the selection, award, or administration of a contract if they have a real or apparent conflict of interest.

Guidelines for employee conduct can be found in the Lewis County Employee Handbook. County employees must report suspected violations of this policy to their Elected Official or Director, in consultation with the Auditor's Office.

4. APPROVAL, SIGNATURE AUTHORITY, CONTRACTS, AND CHANGE ORDERS

4.1 Approval and signature authority

Directors, Administrators, or designee of each County department under authority of the Board of County Commissioners (BOCC) shall possess authority to execute and bind Lewis County to procurement contracts, amendments, and change orders that total or create a cumulative project total of less than $50,000. Procurement contracts in excess of $50,000 must be ratified by the BOCC via resolution.

Directors, Administrators, or designee may sign procurement contracts, amendments, and change orders that total or create a cumulative project total of $50,000 to $350,000, provided that the contract or amendment is approved by the BOCC via resolution.

Subsequent change orders or amendments to procurement contracts, originally approved by a Director, must receive BOCC approval via resolution before entering into agreements that exceed $350,000 or increase the cumulative total to more than $350,000.

Directors or Administrators may delegate the approval and signing authority to employees under their supervision by memorandum defining the scope and duration of the designation. The memorandum shall be available for review upon request.

Directors or Administrators shall keep a copy and record of the contracts they have executed, including contract subject matter, amount, term and contractor and provide such information to the BOCC upon request.

4.2 Contracts

All offices and departments must use a written contract for purchases of services over $10,000. All written contracts may be submitted to the Prosecuting Attorney for review.

5. GENERAL PROCUREMENT

All Offices and Departments must use the Total Cost of Acquisition (TCA), as defined in this policy, to determine the dollar thresholds for procurement requirements. TCA includes the sales price, sales or use tax, freight or shipping charges, installation or set up charges, security deposits, and any other charges applicable to the acquisition.

All bids and Request for Proposals must be submitted through OpenGov procurement software.

5.1 Purchase of goods, equipment, supplies, or materials not connected with a public works project

Purchases under $10,000 – Informal Competition

An office or department may authorize purchases of goods of less than $10,000 without competitive bidding or quotes from a vendor list. It is recommended that purchases are made after obtaining three

verbal or written quotes to verify the best purchase price. As a best practice, documentation to support purchase decisions should be retained to demonstrate that efforts were made to reduce costs.

Purchases $10,000 - $50,000 – Quotes from Vendor List

RCW 36.32.245(3) provides a competitive bid process exception for purchases between $10,000 and $50,000. Formal competitive bidding is not required. Offices and Departments must obtain quotes from the Vendor List. Lewis County uses the Municipal Research and Services Center (MRSC) Vendor List. Prior to soliciting quotes, offices and departments should verify the vendor is on the MRSC Vendor List.

RCW 39.04.190 provides a uniform process to award contracts for the purchase of any materials, equipment, and supplies. Offices and Departments are authorized to use this process in lieu of the requirements for formal competitive bidding. To make a purchase using the vendor list, secure quotes from at least three of the vendors on the list, if possible, and award the contract to the lowest responsible bidder. The bid quotations obtained must be recorded, open to public inspection, and available for inquiries.

RCW 39.04.200 requires the County to post a list of contracts awarded using the Vendor List, including the date, the name of the contractor, the amount of the contract, a brief description of the items purchased, and the location where the bid quotations for these contracts are available for public inspection. The awarded contract list must be posted at least once every two months.

Purchases over $50,000 – Competitive Bidding

RCW 36.32.245 requires a formal, competitive process, such as Competitive Sealed Bids and Request for Proposal (RFP), for purchases that exceed $50,000. Competitive Sealed Bids are used when the price is the sole factor for selecting the award. Bids are final and amounts may not be negotiated. A Request for Proposal is used when the specifications cannot be developed precise enough to make a selection solely based on price. Both the specifications of the proposed goods, and the price are subject to negotiation and the award is made to the proposal that is most advantageous to the government considering price and the other evaluation criteria.

5.2 Personal and Purchased Services

State law does not require any thresholds or processes for personal or purchased services contracting. Certain services, other than personal or purchased, are subject to competitive procurement requirements.

Personal services involve technical expertise provided by a consultant to accomplish a specific study, project, task, or other work. These activities and products are mostly intellectual in nature, and they do not include architecture and engineering services, which have their own requirements. Examples include strategic plan development, economic development study, and rate setting study services.

Purchased services are those provided by vendors for routine, necessary, and continuing functions of a local government agency, mostly relating to physical activities. These services are usually repetitive, routine, or mechanical in nature, support the agency's day-to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making. Examples include courier services, landscape maintenance, recycling pickup, and vehicle maintenance.

If federal funding is used, federal procurement requirements must be followed, see section 7.

This section applies to contracts for personal and purchased services, not public works. Distinguishing between services and public works is important, as acquiring services does not require bids, whereas contracting for public works may.

5.3 Public works

Public works contracts which are less than $50,000 may use the limited public works process as outlined in RCW 39.04.155(3) which requires a minimum of three electronic or written quotations from the appropriate small works roster.

Public works contracts between $50,000 and $250,000 may use the small works roster process as referenced in RCW 39.04.155(2)(c) which requires a minimum of five quotations.

Public works contracts between $250,000 and $350,000 may use the small works roster process as referenced in RCW 39.04.155(2)(c) which requires a minimum of five quotations and notice to the remaining contractors on the appropriate small works roster that quotations on the work are being sought.

Public works contracts over $350,000 are required to use the competitive sealed bid process as referenced in RCW 36.32.250.

Lewis County participates in the MRSC Roster service. County offices and departments shall use the small works roster maintained by MRSC for all quotations.

5.4 Electronic data processing or telecommunications equipment, software, or services

The County may acquire electronic data processing or telecommunication equipment, software, or services using the guidelines in sections 5.1 and 5.2 or by competitive negotiation as referenced in RCW 39.04.270. Electronic data processing or telecommunications equipment, software, or services includes computer hardware, custom or off-the-shelf software, telephone, voice, Internet, data, video, and audio systems.

Competitive negotiation requires a request for proposals (RFP) which must be published in a newspaper of general circulation at least 13 days before the submission deadline. The RFP must be submitted to an adequate number of qualified sources to permit reasonable competition. The RFP must identify significant evaluation factors, including price, and their relative importance.

Reasonable procedures must be documented for technical evaluation of the proposals, identification of qualified sources, and the selection process for awarding the contract. The contract must be awarded to the qualified bidder whose proposal is "most advantageous" to the County with price and other factors considered. It does not necessarily have to be awarded to the lowest responsible bidder, depending on the other non-price factors.

All purchases of electronic data processing or telecommunications equipment, software, and services should be completed by the IT department. If it is determined IT will not complete the procurement, they shall be informed for consulting, security review, and tracking purposes.

5.5 Architecture, engineering, landscape architecture, or surveying services

For architecture, landscape architecture, engineering, and surveying services, the County must follow the qualifications-based selection (QBS) process outlined in Chapter 39.80 RCW. The QBS process awards contracts primarily based on qualifications, rather than cost. QBS is required for all contract amounts.

5.6 Prevailing wage requirements

The County shall follow Washington prevailing wage requirements for public works and public building service maintenance contracts, pursuant to Chapter 39.12 RCW. All public works performed by contract are subject to the prevailing wage laws, including:

- Public building service maintenance contracts, such as janitorial contracts covering janitors, waxers, shampooers and window cleaners (addressed by RCW 39.12.020 and WAC 296-127-023)
- Private construction performed under a contract for rental, lease or purchase by the local government (addressed by RCW 39.04.260)

Some purchased services may be subject to prevailing wage requirements. Contact Department of Labor and Industries to determine if prevailing wage applies.

6. EXEMPTIONS FROM BIDDING AND COMPETITIVE SOLICITATION

6.1 Intergovernmental purchase

The County recognizes that using bid processes and contracts awarded by another public agency can achieve efficiency and greater volume discounts. The County encourages the use of these opportunities in accordance with the provisions of RCW 39.34.030, provided the original public agency that awarded the bid, proposal, or contract complied with its own statutory procurement requirements. The use of another public agency's active contract is also known as "piggybacking".

RCW 39.04.080 requires any intergovernmental purchase to be authorized by the BOCC. Such agreements must be approved by resolution.

Offices and Departments may search for such opportunities, including but not limited to State of Washington contracts, U.S. Community contracts, and contracts offered by other municipal corporations within the State of Washington which conform with Chapter 39.34 RCW. Purchases of supplies, materials, and equipment from federal contracts are authorized by RCW 39.32.090.

6.2 Emergency purchase

RCW 39.04.280 provides uniform exemptions for emergency purchases and public works projects. Any contract for which a competitive process is waived must be an explicit necessity and directly related to the emergency.

"Emergency" as defined in RCW 39.04.280(3) means any unforeseen circumstances beyond the control of the municipality that either present a real, immediate danger to the proper performance of essential functions, or will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. This includes declared federal or state disasters, as well as local agency-declared emergencies.

If an emergency exists, the BOCC may declare that an emergency exists, waive competitive bidding requirements, and award all necessary contracts to address the emergency. If a federal or state

emergency has been declared, the BOCC should pass a resolution acknowledging the declaration and invoking RCW 39.04.280 as well.

If an emergency contract is awarded without competitive bidding, the BOCC must enter a written finding of an emergency into the public record no later than two weeks following the contract award.

6.3 Sole source purchase

RCW 39.04.280(1)(a) allows agencies to waive competitive bidding if a purchase is clearly and legitimately limited to a single supplier. These situations often arise when an agency has specific technological requirements. There should be careful deliberation before going to a sole source since this type of purchase eliminates competition. These decisions should be based on an objective review of the required product or service, making sure to document why that particular product or service is mandatory and whether efforts were made to find other vendors.

See Appendix C for the Sole Source Justification form.

6.4 Other exemptions

RCW 35.21.278 Contracts with community service organizations for park improvements or maintenance
RCW 36.32.245 Legal and public defender services
RCW 36.32.245 Election materials and ballots
RCW 36.32.265 Water pollution control facilities/services and solid waste handling facilities services
RCW 39.04.280 Special facilities or market conditions
RCW 39.04.280 Purchase of Insurance or Bonds
RCW 39.26.125 Expert witnesses for legal proceedings
RCW 39.30.045 Auctions
RCW 39.33.050 Purchases of public mass transportation system services

7. FEDERALLY FUNDED PURCHASES

For any procurement transaction using federal funds, both state and federal competitive requirements must be followed, using the most stringent standards of the two. The County must follow the Uniform Guidance procurement standards in 2 CFR §200.318-200.327 (except where explicitly excluded by the federal agency) and any additional requirements imposed by the federal agency or pass-through entity. It is recommended that Offices and Departments confirm applicable procurement requirements with the granting agency.

Federal regulations stipulate the following thresholds and methods for procuring purchases:

Micro-purchase procedures: Micro-purchase procedures shall be used for federally funded procurement of $10,000 or less. This procedure allows contracting for purchases without soliciting or obtaining rate quotations if the price is considered reasonable based on research, experience, purchase history or other information. The process for determining a reasonable price should be documented and retained. Micro-purchases should be distributed equitably among qualified suppliers, to the maximum extent practicable.

Small purchase procedures: Small purchase procedures shall be used for federally funded procurement under $250,000. This procedure requires price or rate quotations from an adequate number of qualified

sources. Offices and departments shall obtain more than one quotation. The quotations must be documented and retained.

Formal procurement procedures: Formal procurement procedures shall be used for federally funded procurement at or above $250,000. This procedure requires a cost or price analysis as outlined in 2 CFR §200.324. Uniform guidance allows two formal solicitation methods; sealed bids or competitive proposals.

Sealed bids are a procurement method in which bids are publicly solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. Further requirements for sealed bids are outlined in 2 CFR §200.320(b)(1).

Competitive proposals are a procurement method in which either a fixed price or cost-reimbursement type contract is awarded. Proposals are generally used when conditions are not appropriate for the use of sealed bids. Further requirements for competitive proposals are outlined in 2 CFR §200.320(b)(2).

Noncompetitive procurement: 2 CFR §200.320(c) specifies circumstances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if the purchase qualifies as sole source, public exigency or emergency, approval from a federal agency or pass-through agency, and situations where competition is deemed inadequate after soliciting a number of sources.

County offices and departments must not make awards or payments to any party who is debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs. Prior to signing a contract where federal funds will be distributed, debarment and suspension should be checked and documented. Documentation should be kept within the grant file.

8. LEASES

A lease of personal (or real) property with an option to purchase may require competitive bids, depending on the type of property involved and its cost. The cost is the total value of the item to be leased, not the yearly lease payment. General procurement requirements must be followed based on the value of the leased asset, see section 5. A lease of property without an option to purchase does not require a call for bids.

9. DEFINITIONS

Award - The formal decision to accept a bid or proposal.

Bid - An offer to perform a contract for work and labor or supplying materials at a specified price.

Competitive Sealed Bid - A method of selecting the lowest responsive and responsible bidder for a specific project. Written bids are submitted by contractors based on plans and specifications in theCall for Sealed Bids. No negotiation with bidders is permitted.

Contract - A mutually binding legal relationship obligating the seller to furnish product, materials, or services and the buyer to pay for them. To be enforceable, a contract must contain five essential elements: an offer and acceptance of the offer, consideration, legal subject matter, competent parties, and essential terms and conditions.

Emergency Purchases – Purchases for any unforeseen circumstances beyond the control of the municipality that either present a real, immediate danger to the proper performance of essential functions, or will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. Emergencies can be declared by the BOCC or other lawful authority as soon as practicable.

Grant - A financial award given by a federal, state, or local government authority for a beneficial project. The County may be the donor (grantor) or the recipient (grantee).

Intergovernmental purchase - Use of another public agency's active contract for purchases of products, services, or public works, a process also known as "piggybacking."

Limited Public Works Process – RCW 39.04.155(3) Provides uniform small works roster provisions to award contracts for work, construction, building, renovation, remodeling, alteration, repair, or improvement of real property that may be used by the County. These provisions may be used in lieu of other procedures to award public works contracts with an estimated cost of less than $50,000.

Municipal Research and Services Center (MRSC) - A nonprofit organization that helps local governments across Washington State better serve their communities by providing legal and policy guidance on any topic.

Ordinary Maintenance - Includes work to maintain an asset that is performed on a regular basis by County employees (i.e.weekly, monthly, or annually).

Personal Services - Technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement, not including professional architecture, engineering, landscape architecture, or surveying services.

Prevailing Wage – The hourly wages, overtime pay, and usual benefits paid to the majority of workers in a particular trade or occupation. The rates vary by county and type of labor, and they are determined and enforced by the Department of Labor and Industries (L&I).

Public Building Service Maintenance Contracts - Janitorial service contracts on public buildings and/or assets and cover only work performed by janitors, waxers, shampooers, and window cleaners pursuant to WAC 296.127.01308.

Public Works - All work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the County or of any municipality, or which is by law a lien or charge on any property therein. Public works projects include road construction, roof repair, HVAC upgrades, building remodeling, or parking meter installation.

Public Works Contract - A contract in writing for the execution of public works for a fixed or determinable amount awarded per procedures required by state law, pursuant to RCW 39.04.010.

Purchased Services - Services provided by vendors for the routine, necessary, and continuing functions of a local agency, mostly related to physical work.

Request for Proposal (RFP) - A Request for Proposals (RFP) is a formal solicitation issued to potential vendors or service providers. An RFP outlines the specific needs, requirements, and objectives for a particular project or service and invites interested parties to submit their proposals or bids.

Responsible Bidder – A bidder with the capability and reliability as well as documented financial and technical capacity to perform the requirements of the solicitation and subsequent contract.

Responsive Bidder - A bid response that is consistent with the specifications and fully conforms to the mandatory submittal requirements.

Small Works Roster – A list of pre-qualified contractors used for the purpose of obtaining quotations and awarding contracts for public works with a cost of $350,000 or less (RCW 39.04.155).

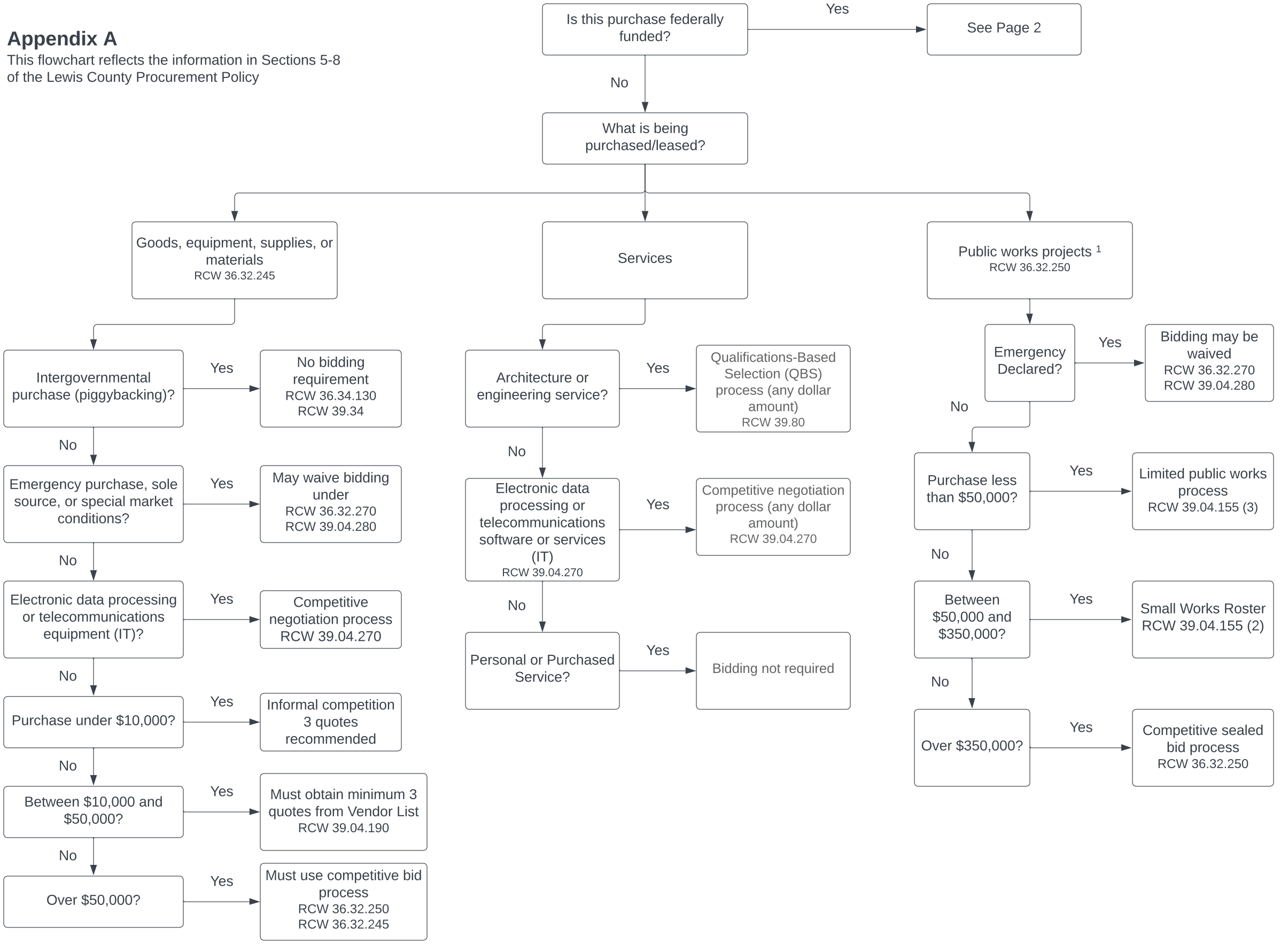
Total Cost of Acquisition (TCA) - The total of sales price, sales or use tax, freight or shipping charges, installation or set up charges, security deposits, and any other charges applicable to the acquisition. Interest to be paid over the term of the contract and bargain purchase option amounts shall be included, where applicable, for leases and installation purchases.

Vendor - A potential provider of goods and/or services.

Vendor List - A list maintained by MRSC of vendors interested in providing goods andservices to the County.

Appendix A

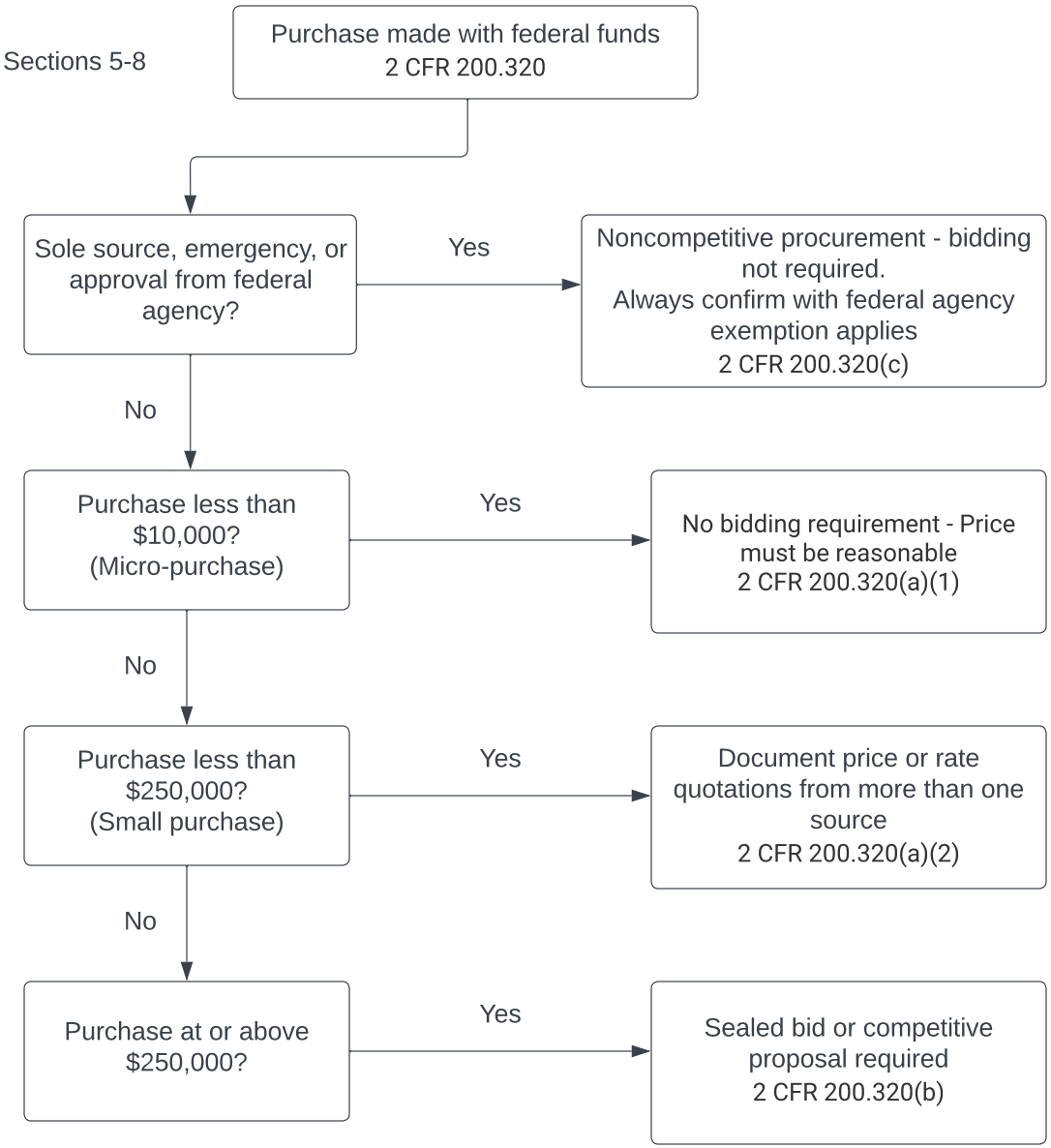
This flowchart reflects the information in Sections 5-8 of the Lewis County Procurement Policy



1) "Public work" means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the County RCW 39.04.010

Appendix A

This flowchart reflects the information in Sections 5-8 of the Lewis County Procurement Policy



Lewis County
REQUEST FOR QUOTATION
Not An Order

Lewis County is requesting quotations for the following item(s). This quote must be received back by _____ to be considered. If you have any questions regarding this quote, please see the contact information below.

Vendor Name:	Contact Person:

Vendor Address:	Telephone Number:

Item #	Description	Quantity	Unit Price	Total per Item
PRICES QUOTED ARE FIRM FOR _____ Days.			Sub Total:	
			Freight*	
		Sales Tax %:	Sales Tax:	
			TOTAL:	

SIGNATURE OF COMPANY REP.: DATE:

Delivery Site: _____

Comments: _____

Payment Terms: _____

Return Quote Form to:

Attention: _____ Fax: _____

Email Address: _____ Phone: _____

*Prices Quoted are to be freight included or firm freight amount is to be listed.

Lewis County—Sole Source Justification

Form was completed by:

_____	_____	_____
Name	Title	Department

Requested Vendor:	_____	Cost Estimate:	_____
Vendor's Address:	_____	Vendor Phone:	_____
Vendor Email Address/Website:	_____	Vendor Contact Name:	_____

1. Describe the product, service, or system. Attach all information:

2. Below are eligible reasons for sole source. Check all boxes below that apply to your sole source situation and attach any useful documents to justify the sole source. Space is available on page 2 to describe the applicable reasons:

☐ **Compatibility to existing County standard or to existing equipment, inventory, systems, data, programs, or service**: Describe. List efforts to find other sources.

☐ **Licensed or patented product with only one dealer**: Describe. Attach documentation if available, to confirm your source is the only dealer or supplier for this region.

☐ **Only authorized Service Provider, Repair and/or Warranty Services:** Describe.

☐ **Unique design:** Purchase requires unique features that are essential to its design and specific to a particular supplier. Describe.

☐ **Used item:** Surplus item bought through an auction or distributor that would represent good value and is advantageous to the County. Describe.

☐ **Delivery Date:** Only one supplier can meet required delivery date. Describe and list efforts to find other suppliers to meet the delivery date.

☐ **Project or Research Continuity:** Product, systems, services, or data must comply with an ongoing project, research, data, testing or analysis. Results would be interrupted or compromised without continuity. Describe.

☐ **Other:** Please describe:

Provide a description of the Sole Source reasons checked on page 1:

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STATEMENT OF NEED:
My department's recommendation for sole source is based upon an objective review of the good/service being required and appears to be in the best interest of the County. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favor, or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials, or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

_____

Signature of Elected Official, Director, or Administrator Date

Please complete this form in its entirety and include with the payment voucher requesting payment to the vendor. Please retain a copy for your records.