

CLEARANCES	Initial	Date	Date Received in Council Office:	Agenda Date	Assigned To:
Originator- Executive	aps	3-3-92	RECEIVED MAR 04 1992 WHATCOM COUNTY COUNCIL	3/10/92	Council/Intro
Division Head-				3/24/92	Finance/Council
Department Head-				4/14/92	Finance/Council
Prosecutor Review-					
Purchasing/Budget Dir.-					
Executive-	aps	3/3			

SUBJECT:

Purchasing Code Revisions

ATTACHMENTS:

Major Amendments to Chapter 3.08 of County Code

Public Hearing Needed? Yes/___/No/X/

SUMMARY STATEMENT:

These proposed amendments to the purchasing code include: (1) Raising limits for going out to bid from \$3,500 and \$5,000 for professional services to \$10,000, and raises the Council approval threshold from \$10,000 to \$20,000; (2) Enables RFPs for services and technologically complex equipment; (3) Enables multiple bidders under specified circumstances; (4) Allows sole source purchases when the bidding process would be futile because only one bidder could respond; (5) Allows cooperative purchasing with the State and other jurisdictions; (6) allows consideration of County tax revenue in determining low bid; (7) Exempts leases of real property from the bid process; and (8) Housekeeping issues. Although not incorporated in this document, we would also propose changing all code references to Purchasing Agent be changed to Purchasing Manager and that all pronoun references to that position be made gender neutral.

ORIGINATOR'S RECOMMENDED ACTION:

Pass as recommended.

COMMITTEE ACTION (including dates):

COUNCIL ACTION (including dates):

- 3/10/92: Introduced
- 3/24/92: Held in Finance Committee
- 4/14/92: Council adopted the ordinance with the following amendments: ↑

AMENDED ORDINANCE 92-020 REVISING CHAPTER 3.08 OF THE WHATCOM COUNTY CODE THAT ESTABLISHES THE PURCHASING DEPARTMENT (AB92-129): The amendments to the purchasing code include: (1) Raising limits for going out to bid from \$3,500 and \$5,000 for professional services to \$10,000, and raises the Council approval threshold from \$10,000 to \$25,000 for bids on proposals; (2) Enables RFPs for services and technologically complex equipment; (3) Enables multiple bidders under specified circumstances; (4) Allows sole source purchases when the bidding process would be futile because only one bidder could respond; (5) Allows cooperative purchasing with the State and other jurisdictions; (6) Allows consideration of County tax revenue in determining low bid; (7) Exempts leases of real property from the bid process; and (8) Housekeeping issues.

Related File Numbers: _____

Ordinance or Resolution Number: 092-020

ORDINANCE NO. 92-020

**AN ORDINANCE TO REVISE
CHAPTER 3.08 OF THE WHATCOM
COUNTY CODE THAT ESTABLISHES
THE PURCHASING DEPARTMENT**

WHEREAS, a number of operational and policy issues regarding the purchasing function for Whatcom County have been identified by the Purchasing Manager, the Executive Office and the Council; and

WHEREAS, it is in the County's interest to update its purchasing policies and practices on a regular basis to ensure efficiencies and effectiveness;

NOW, THEREFORE, BE IT ORDAINED by the Whatcom County Council that the attached amendments to Chapter 3.08 of the Whatcom County Code are hereby adopted.


ADOPTED this 21st day of April, 1992.

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

ATTEST:



Ramona Reeves, Council Clerk

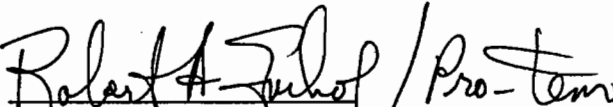


Daniel M. Warner, Chairman

APPROVED AS TO FORM:

() Approved () Denied

Civil Deputy Prosecutor



Shirley Van Zanten, Executive
Date: 4-15-92

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Chapter 3.08
PURCHASING DEPARTMENT

Sections:

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- 6 3.08.010 Goals.
- 7 3.08.020 Chapter application.
- 8 3.08.030 Purchasing agent--Powers and authority. 3.08.040
- 9 Purchasing agent--Appointment.
- 10 3.08.050 Purchasing agent--Bond and oath required. 3.08.060
- 11 Purchasing agent--Qualifications.
- 12 3.08.070 Purchasing agent--Powers and duties in general.
- 13 3.08.080 Purchasing agent--Powers and duties in particular.
- 14 3.08.090 Operation--Quantity purchases.
- 15 3.08.100 Operation--Standardization of equipment and supplies.
- 16 3.08.110 Operation--Common storage of supplies in general
- 17 use.
- 18 3.08.120 Operation--Road department centralized stores and
- 19 acquisitions.
- 20 3.08.130 Operation--Warrants and accounting.
- 21 3.08.140 Operation--Common-use equipment and rentals.
- 22 3.08.150 Operation--County supply fund.
- 23 3.08.180 Bids or proposals required for contracts, leases or
- 24 purchases exceeding three thousand five hundred dollars
- 25 ten thousand dollars--Professional services contracts
- 26 Leases of real property, repairs to necessary
- 27 equipment, sole source purchases and intergovernmental
- 28 transfers excluded.
- 29 ~~3.08.181 Bid specifications--Variety of vendors--Performance~~
- 30 ~~considerations~~
- 31 3.08.190 Bid specifications--Filing required.
- 32 3.08.200 Bid specifications--Advertisement-required.
- 33 3.08.210 Bid deposit--Required for public-works.
- 34 3.08.220 Bid deposit--Forfeited when.
- 35 3.08.230 Bids--Opening procedure--Review--Filing.
- 36 3.08.240 Bids--Award to lowest responsible bidder.
- 37 3.08.250 Bids--Contractor's bond required for public works.
- 38 3.08.260 Bids--Contracts with unregistered or unlicensed
- 39 contractors prohibited.
- 40 3.08.270 Joint purchasing.
- 41 3.08.280 Waiver of bid procedure for emergency purchases.
- 42 3.08.290 Amendments to chapter.

1 3.08.020 Chapter application. The policy, procedures and
2 requirements contained in this chapter shall apply to all
3 contracts for public works and purchases and leases of supplies,
4 materials, and equipment for all departments, boards, commissions
5 and other operations of the county, ~~except such as shall be made~~
6 ~~pursuant to RCW 36.77.060, RCW 36.82.130.~~ All departments of the
7 county shall have a copy of the ordinance codified in this
8 chapter, and any vendor doing business with the county shall have
9 a copy upon request. (Ord. 90-126: Ord. 79-23 §1).

1 3.08.080 Purchasing agent--Powers and duties in particular. In
2 addition to the general powers and duties set forth in Section
3 3.08.070, the purchasing agent shall:

4 A. Submit a report by ~~the second Monday in March on a date~~
5 ~~established by the Property Management Committee~~ each year which
6 shall include the status of the inventories provided for in this
7 chapter. The report may also include recommendations for improved
8 standardization and volume purchasing pursuant to the general
9 standards set forth in this chapter.

10 B. Prepare and make available to all departments of the
11 county as needed, suitable forms for requisition, vouchers,
12 inventories, etc. Forms shall be designed so as to minimize as
13 much as possible both the number of forms and the amount of time
14 required to process them.

15 C. Assign a purchase order number for every transaction
16 wherein the county acquires supplies, materials, equipment or
17 contract rights in property or public works pursuant to Section
18 3.08.020 and RCW 36.32.240.

19 D. At least once per year, publish in a newspaper of general
20 circulation within the county a notice of the existence of vendor
21 lists and solicit the names of vendors for the lists.

22 E. Secure telephone and/or written quotations from enough
23 vendors to assure establishment of a competitive price and issue
24 purchase orders or award contracts for the purchase of materials,
25 equipment or services involving amounts not exceeding ~~three~~
26 ~~thousand five hundred dollars~~ ~~ten thousand dollars~~ in a single
27 transaction, to the best advantage of the county. Whenever
28 practical, the purchasing agent shall contact at least three
29 vendors to assure establishment of a competitive price. He shall
30 keep a log or record of all quotations solicited and/or secured
31 by telephone for purchases of the dollar value described above.
32 Such quotations shall be open to public inspection and shall be
33 available by telephone inquiry except as otherwise provided by
34 state law. No other county officer, official or employee may make
35 purchases or award contracts except the county executive acting
36 under Section 3.22 of the Whatcom County Charter, Powers and
37 Duties.

38 F. When the amount of any transaction described in
39 subsection C of this section exceeds ~~three thousand five~~
40 ~~hundred dollars~~ ~~ten thousand dollars~~, the purchasing agent,
41 unless otherwise provided by law, shall be responsible for the
42 ~~preparation review and approval~~ of specifications and ~~the~~
43 ~~preparation of~~ invitations to bid pursuant to provisions set
44 forth in this chapter. After bids have been opened, the
45 purchasing agent shall check them for accuracy and/or com-
46 pliance with the specifications and invitation to bid. The
47 purchasing agent shall present his recommendations prior to any
48 award by the county executive.

49 G. In the event of an extended absence of the purchasing
50 agent, the powers and duties set forth in this section and
51 Section 3.08.070 will temporarily devolve upon the deputy
52 purchasing agent, unless otherwise directed by the county
53 executive. (Ord. 79-23 §8).

1 3.08.180 Bids or proposals required for contracts, leases
2 or purchases exceed ~~ing three thousand five hundred dollars ten~~
3 ~~thousand dollars~~--Professional services contracts Leases of
4 real property, repairs to necessary equipment, sole source
5 purchases and intergovernmental transfers excluded.

6 A. No contract, lease, or purchase involving funds of
7 ~~three thousand five hundred dollars ten thousand dollars~~ or
8 more shall be entered into until after bids or proposals have
9 been submitted in response to specifications and invitations to
10 bid; provided, however, that any bid exceeding ~~ten thousand~~
11 ~~dollars twenty-five thousand dollars~~, or contract for
12 ~~professional services exceeding ten thousand dollars~~, shall be
13 submitted to the council for approval. The provisions of this
14 section shall not apply to ~~contracts for professional services~~;
15 ~~provided, however, that any contract exceeding ten thousand~~
16 ~~dollars shall be submitted to the council for approval~~ leases
17 of real property.

18 B. All expenditures of county agencies of ~~five thousand~~
19 ~~dollars ten thousand dollars~~ or more for professional
20 consulting service shall be made upon a call for bids or
21 proposals, with selections being made upon consideration of
22 qualifications and costs, except in the case of emergencies
23 declared by the county executive, or the acquisition of such
24 services from other public entities, or when the county
25 council, upon the recommendation of the county executive, finds
26 that a waiver of the bid requirement will be in the best inter-
27 est of Whatcom County. Professional consulting services"
28 includes, but is not limited to, services from lawyers;
29 architects, engineers, labor relations consultants, and
30 computer specialists. In regard to contracts with architectural
31 and engineering services, this section shall supplement the
32 provisions of RCW Chapter 39.80 and not be in lieu thereof. The
33 county executive may issue executive orders to carry out the
34 provisions of this subsection and such orders shall be binding
35 upon all executive and administrative departments, agencies,
36 and officers.

37 C. Expenditures for architectural, professional, and
38 engineering services shall also be made in compliance with
39 Chapter 39.80.

40 D. Repairs for less than ~~ten thousand dollars~~ ~~twenty-five~~
41 ~~thousand dollars~~ on equipment necessary to complete a project
42 and inter-governmental transfers of property shall not be
43 required to go through competitive bidding. However, should
44 either the repair or the property transfer be for ~~ten thousand~~
45 ~~dollars twenty-five thousand dollars~~ or more, it shall require
46 council approval.

47 E. Contracts authorized by the council entered into by the
48 county may be administratively amended ~~in an~~ to a cumulative
49 amount not to exceed \$10,000 ~~twenty ten thousand dollars or ten~~
50 ~~percent of the original contract, whichever is greater~~; greater
51 amounts require council approval. Amendments to existing
52 contracts which involve externally-funded passthrough monies
53 may be approved by the county executive without council
54 approval in any amount. (Ord. 91-015; Ord. 84-96; Ord. 84-36;
55 Ord. 81-29; Ord. 79-23 §19).

56 F. Sole source purchases shall not be required to go
57 through competitive bidding. A purchase may be determined to
58 be sole source by the county executive or designee when the
59 bidding process would be futile because only one bidder could
60 respond to the invitation.

61 G. Any real property leases must be submitted to the
62 county council for approval.

1 3.08.181 Bid specifications--Variety of vendors--Performance
2 considerations. In developing specifications or bids or
3 proposals, all reasonable efforts shall be made to ensure that
4 a variety of vendors shall be capable of fulfilling the stated
5 requirements of the county. Performance considerations shall
6 be included in the specifications. However, nothing in this
7 section shall be construed to limit the county from pursuing
8 sole source procurement where adequate justification has been
9 presented that such procurement is in the best interests of
10 county operations.
11

1 3.08.240 Bids--Award to lowest responsible bidder.

2 A. Any or all bids may be rejected for good cause. If all
3 bids are not rejected, the award shall be to the lowest
4 responsible bidder. In determining which is the lowest
5 responsible bidder, the county may take into consideration the
6 bidder's responsiveness to the county's requirements, the
7 quality of the articles to be purchased or leased, availability
8 of parts and service, and delivery time, and the tax revenue
9 the county would receive from purchasing from a supplier
10 located within its boundaries.

11 B. The county may issue requests for proposals for
12 services, or for technologically complex equipment such as
13 computers, software, or telephone systems. If all proposals
14 are not rejected, the award shall be to the highest rated
15 proposal, taking into account the selection criteria published
16 in the request for proposals.

17 C. The county may award to multiple bidders for the same
18 commodity or service when the bid specifications provide for
19 special circumstances in the determination of which vendor is
20 truly the lowest price to the county. Special circumstances
21 may include differences in ability to deliver, delivery time,
22 availability of material, special loading or unloading
23 conditions, total cost including transport or labor if not
24 included with bid item, performance of the delivered material,
25 location of the source, and proximity to the delivery point.

1 3.08.250 Bids--Contractor's Bond required for public works.

2 A. The county shall require from the successful bidder a
3 contractor's bond in the amount and with the conditions imposed
4 by law. On contracts of ~~two thousand~~ ~~twenty-five thousand~~
5 dollars or less, Whatcom County may, where ~~one hundred percent~~
6 ~~fifty percent~~ of the contract amount is retained for a period
7 of thirty days after date of final acceptance (providing all
8 necessary releases from the tax commission and the department
9 of labor and industries have been received) dispense with the
10 requirement of a contractor's bond, as permitted by state law.
11 When required, the contractor's bond shall be a good and suffi-
12 cient bond, with two or more sureties, or with a surety company
13 duly and currently licensed to engage in surety bonding
14 business in the state of Washington. Such bond shall conform to
15 RCW 39.08.010. The contractor's bond shall run to and be
16 payable to the county of Whatcom, state of Washington. The
17 conditions of the contractor's bond shall include:

- 18 1. The faithful performance of the contract;
19 2. The faithful payment of all laborers, mechanics,
20 subcontractors, materialmen, and persons who supply such
21 laborers, mechanics, subcontractors, or materialmen with
22 provisions and supplies for carrying on such work.

23 B. The contractor's bond is to be approved by the
24 ~~purchasing agent contract manager~~ and filed in the purchasing
25 ~~department~~ ~~with the original contract document~~. (Ord. 79-23
26 §26).

1 3.08.270 Joint purchasing. The county may enter into
2 agreements with the state or with any agency, political
3 subdivision, or unit of local government to purchase goods or
4 services cooperatively. The purchasing agent is authorized and
5 encouraged to make his services available to any other
6 municipal corporation in Whatcom County. The purchasing agent
7 may assist in forwarding the warrant of a participating
8 municipal corporation in the amount of the purchase price
9 agreed to pursuant to the provisions contained in this chapter
10 governing the securing of quotations of bids. The purchasing
11 agent may assist the participating municipal corporation in any
12 way (except that a sale or contract shall be between the vendor
13 and the participating municipal corporation and not the
14 purchasing agent or Whatcom County) and he shall bill said
15 municipal corporation for two percent of the purchase price,
16 payable to the county current expense fund, for such
17 assistance. The purchasing agent may join with any other
18 purchaser to secure quotes or bids based on volume if he
19 believes it is in the county's best interest to do so. (Ord.
20 79-23 §28).