



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

March 13, 2019

6:30 p.m. – Regular Session

1. CALL TO ORDER
2. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Commission. Please state your name prior to making comments.
3. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
4. CONSENT AGENDA
5. SPECIFIC ITEMS OF BUSINESS:
 - A. Country Club Horizontal Directional Drill Sewer Line Construction Contract Award
 - B. Geneva Sanitary Sewer Lift Station Renovation Construction Contract Award
 - C. Resolution No. 857—Revision to District Administrative Code Chapters 2.16 and 2.17 related to Purchasing Policies
6. OTHER BUSINESS
7. GENERAL MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. ADJOURNMENT



**AGENDA
BILL
Item 4**

Consent Agenda

DATE SUBMITTED:	March 6, 2019	MEETING DATE:	March 13, 2019
TO: BOARD OF COMMISSIONERS		FROM: Rachael Hope	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. See below	
		2.	
		3.	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**** TO BE UPDATED 3/12/19 ****

BACKGROUND / EXPLANATION OF IMPACT

- Meeting Notes from the February 27, 2019 Board Meeting
- Payroll for Pay Period #06 (02/23/2019 through 03/08/2019) total to be added 3/12/19.
- Payroll Benefits for Pay Period #06 total to be added 3/12/19.
- Summary of Significant Expenditures to be added 3/12/19.
- Accounts Payable Vouchers total to be added 3/12/19.



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS Minutes

February 27, 2019

Board President Laura Abele called the Regular Session to order at 8:00 a.m.

Attendees: Commissioner Laura Abele
Commissioner Todd Citron
Commissioner John Carter
Commissioner Leslie McRoberts
General Manager Justin Clary
Assistant General Manager/District Engineer Bill Hunter
Operations & Maintenance Manager Brent Winters
Recording Secretary Rachael Hope
Consulting Engineer Melanie Mankamyer

Excused Absences: Commissioner Bruce Ford

Also in attendance were: Kristin Hemenway, District Construction Engineer; Ted Carlson, Public Works Director for the City of Bellingham; Amy Cloud, Communications Director, Public Works Department for the City of Bellingham; Eric Johnston, Assistant Public Works Director for the City of Bellingham; and Rob Johnson, Superintendent of Plants for the City of Bellingham.

Consent Agenda

Action Taken

Carter moved, Citron seconded, approval of:

- Meeting Notes from the 01/30/2018 Board Meeting
- Accounts Payable Vouchers totaling \$17,438.51.
- Payroll for Pay Period #04 (01/25/2019 through 02/08/2019) totaling \$45,027.57.
- Payroll Benefits for Pay Period #04 totaling \$44,873.19.
- Accounts Payable Vouchers totaling \$108,456.56.
- Payroll for Pay Period #05 (02/09/2019 through 02/22/2019) totaling \$43,158.43.
- Payroll Benefits for Pay Period #05 totaling \$45,602.78.
- Accounts Payable Vouchers totaling \$94,281.39.

Motion passed.

Post Point Wastewater Treatment Plant Biosolids Facility Replacement Update

Clary introduced Eric Johnston and Rob Johnson from the City of Bellingham, who were in attendance to give a presentation on the status, current timelines, and estimated costs for design and construction of the new solids facility. Johnson explained that the Post Point Wastewater Treatment Plant, owned and operated by the City of

Bellingham, receives and treats all of the District's sewage through an interlocal agreement between the City and the District. The solids handling process equipment (incinerator) at the facility has reached the end of its useful life and needs to be replaced. Based on the City's policy for climate action, community feedback on various options, and financial analysis, a digestion process with energy recovery has been identified as the preferred solution. Construction on the upgrades is expected to commence in 2023. Discussion followed.

Resolution No. 855 Revision to Fixed Asset Policy

Clary explained that staff prepared Resolution No. 855 to update the District's Fixed Asset Policy to include language recommended by the State Auditor. These recommendations were:

- Definition of dollar thresholds for Fixed and for Attractive Assets.
- Define in detail the annual inventory plan and disposal plan.

Staff recommended updating the District's fixed asset policy via adoption of Resolution No. 855.

Action Taken

Citron moved, Carter seconded, to adopt Resolution Number 855 as presented. Motion passed.

Resolution No. 856 Revision to the Employee Information and Recognition Program

Clary reminded the board that the intent and purpose of the Employee Appreciation Program is to build upon the District's existing management-employee-commissioner relationships. The attached resolution updates Section 6 of the Employee Information and Recognition Program to define more clearly the recognition for years-of-service. This resolution also updates Section 7 to include gift cards as an option for a recognition award. Discussion followed.

Action Taken

Citron moved, McRoberts seconded, to adopt Resolution Number 856 as presented. Motion passed.

District Mission and Goals Revision

Clary recounted that on assuming the position of General Manager this past October, one of the initial tasks that he undertook was to assess how current District operations and objectives align with the District's stated mission and goals. During Board discussion in January 2019, the Board requested that language be added to the Goals specific to meeting fire flow requirements. This revised mission and goals statement reflects staff's recommendation to state the District's commitment to providing fire flow and a safe work environment. Discussion followed. Commissioner Citron requested a language change in the first paragraph of the Mission Statement, to change "at an affordable cost" to "in a cost efficient manner" in order to create a more subjective and encompassing statement.

Action Taken

McRoberts moved, Citron seconded, to approve the Mission and Goals Statement with change noted above. Motion passed.

Personnel Policies Manual Revision

Clary detailed that in tandem with the current agreement with the local chapter of the American Federation of State, County and Municipal Employees (AFSCME) that governs employment practices specific to union-represented employees, the District's personnel policies manual defines the District's philosophy, and employment practices, policies, and benefits provided to all District staff. As state and case law evolves and new issues arise, the manual has been revised from time-to-time to keep abreast with current practices and laws. The last revision to the manual was completed in June 2018. Since that time, the State Family and Medical Leave Act has become effective, a new union agreement has been executed, and staff have identified updates specific to risk management issues (addressing workplace violence and the definition of dangerous weapons). To take advantage of the revision, staff identified other miscellaneous revisions to the manual for the Board's consideration. Discussion followed.

Action Taken

Carter moved, McRoberts seconded, to approve the revised personnel policies manual, as presented. Motion passed.

Boom Lift Purchase

Winters recalled that during development of the 2019 Budget, District operations staff identified a safety concern associated with the transition from the top of the ladder system to the fall protection railing on the top of District reservoirs. To address this concern, included within the Board-approved 2019 Budget is \$25,000 for installation of permanent fall protection railing. However, since budget approval, vendor-provided cost estimate for such a system at two reservoirs was approximately \$80,000. At such a significant cost, staff began considering other options. The preferred option is to purchase a boom lift that would allow staff to access the fall protection system at the top of reservoirs. As this piece of equipment is being purchased within the currently approved budget at a projected cost of \$29,512.05, no Board action is necessary. The purpose of this agenda item is solely to apprise the Board of the shift in the use of budget-allocated funds.

General Manager’s Report

Clary updated the Board on a few items, including the District’s soon-to-launch social media program, improvements in the permitting hearing process, progress on the Lake Whatcom water quality monitoring interlocal agreement, and a reminder about the Spring Washington Association of Sewer and Water Districts Conference in April. Discussion followed.

Engineering Department Report

Hunter informed the Board that permitting season is coming and will begin to ramp up soon. He also updated the board on progress in the areas of safety training, upcoming compelled sewer connections, and bid openings. Discussion followed.

Finance Department Report

Clary briefly explained that revenues and expenditures for the year are tracking as expected, and that graphs and trends will be presented on a quarterly basis.

Operations Department Report

Winters spotlighted crew activities for February, including completion of 94 tasks in Cartegraph, successful management of weather challenges, progress on shop cleanup and safety training, and installation of deluge shower at the shop.

With no further business, Abele adjourned the Regular Session at 9:47 a.m.

Recording Secretary, Rachael Hope

Date Minutes Approved

Laura Abele

Todd Citron

Bruce R. Ford

Leslie McRoberts

John Carter



**AGENDA
BILL
Item 5.A**

**Country Club Horizontal Directional
Drill Gravity Main Sewer
Contract Award**

DATE SUBMITTED:	February 20, 2019	MEETING DATE:	March 13, 2019
TO: BOARD OF COMMISSIONERS	FROM: Bill Hunter		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Bid Summary		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

This capital improvement project installs approximately of 700 lineal feet of 8-inch diameter gravity sewer main by horizontal directional drilling (HDD) methods and permanently removes the existing Country Club sanitary sewer lift station (with the installation of the gravity sewer main, the lift station is no longer needed).

An Advertisement for Bids was published in the Bellingham Herald and Seattle Daily Journal of Commerce on February 4, 2019. A non-mandatory pre-bid meeting was held on February 21, 2019. Bids were due and opened on March 5, 2019. Staff is evaluating the bids and supplemental bidder responsibility criteria. A recommendation will be made at the board meeting.

FISCAL IMPACT

The 2019 budget includes \$450,000 for the construction contract. The low bid total contract amount following the bid opening was \$760,585.00 including 8.5% sales tax, if all of the unit price work is performed.

RECOMMENDED BOARD ACTION

Staff will make a recommendation during the board meeting.

PROPOSED MOTION

To be decided.



**AGENDA
BILL
Item 5.B**

**Geneva Sewer Pump Station
Improvements Contract Award**

DATE SUBMITTED:	February 28, 2019	MEETING DATE:	March 13, 2019
TO: BOARD OF COMMISSIONERS	FROM: Bill Hunter		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Bid Summary		
	2. Equity Builders Inc. Bidder Responsibility Analysis		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

This capital improvement project retrofits Geneva sanitary sewer lift station's existing Smith & Loveless wet well-mounted pumps with new submersible pumps, controls, and telemetry. It also includes the replacement of approximately 675 lineal feet of 4-inch diameter sewer force main and the addition of a permanent standby generator.

An Advertisement for Bids was published in the Bellingham Herald and Seattle Daily Journal of Commerce on January 29, 2019. A non-mandatory pre-bid meeting was held on February 19, 2019. Bids were due and opened on February 27, 2019. Staff is evaluating the bids and supplemental bidder responsibility criteria. A recommendation will be made at the board meeting.

FISCAL IMPACT

The approved 2019 budget includes \$590,622.83 for the construction contract (engineering services during construction are a separate budget item). The low bid amount is \$717,836 (including 8.5% sales tax) if all of the unit price and additive alternate work is performed.

The difference between the 2019 budget and low bid is \$127,213.17.

Staff recommends allocating \$127,213.17 from the Sewer/Stormwater Contingency Fund (Fund 425) to make up the project budget shortfall. Fund 425 currently has a balance of \$772,210 and was created to ensure that unanticipated projects related to sewer system and stormwater system expenses be funded in a timely manner. The fund represents approximately 1% of the sewer utility infrastructure replacement cost. Staff also recommends that Fund 425 be replenished back to the full amount in 2020. This can be completed by prioritizing and scheduling capital improvement projects during the 2020 budgeting process that will begin fall 2019.

RECOMMENDED BOARD ACTION

Staff recommends that the Board award the Geneva sewer pump station improvement contract to the lowest responsible bidder, Equity Builders, which will primarily be funded through funding contained in the 2019 Budget and supplemented by a transfer from the Sewer/Stormwater Contingency Fund.

RH2 is investigating reasons for the higher than anticipated bid amounts and will present available information at the board meeting.

PROPOSED MOTION

Recommended motions are:

“I move to transfer \$127,213.17 from the Sewer/Stormwater Contingency Fund (Fund 425) to the System Reinvestment Fund (Fund 420) to supplement the budgeted amount of \$590,622.83, which together fully funds the Geneva Sewer Pump Station Improvements construction contract.”

“I move to award the Geneva Sewer Pump Station Improvements contract with the Additive Alternate to Equity Builders for a total contract price of \$717,836.00 including 8.5% sales tax and authorize the General Manager to execute the contract.”

LAKE WHATCOM WATER & SEWER DISTRICT
 1220 LAKEWAY DRIVE
 BELLINGHAM, WA 982298
 (360) 734-9224



BID PROPOSAL SUMMARY

PROJECT NAME	PROJECT #	BID OPENING DATE & TIME	PAGE # OF #	LOCATION
Geneva Sewer Pump Station Improvements	C1705G	2/27/2019 14:05	1 OF 1	LAKE WHATCOM WATER & SEWER DISTRICT BOARD ROOM
NAME OF FIRM	ENGINEER'S ESTIMATE	STRIDER CONSTRUCTION INC.	INTERWEST CONSTRUCTION INC.	EQUITY BUILDERS

Item	Description	Quantity	Unit	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	
BASE BID - GENEVA SEWER PUMP STATION IMPROVEMENTS												
1	Mobilization / Demobilization	1	LS	N/A	\$ 38,000.00	N/A	\$ 75,000.00	N/A	\$ 63,560.00	N/A	\$ 50,000.00	
2	Geneva Sewer Pump Station Improvements	1	LS	N/A	\$ 461,000.00	N/A	\$ 704,000.00	N/A	\$ 580,000.00	N/A	\$ 543,000.00	
3	Geneva Force Main	1	LS	N/A	\$ 61,000.00	N/A	\$ 50,000.00	N/A	\$ 82,380.00	N/A	\$ 43,000.00	
	Pipeburst (Check Box)						X					
	Trenching w/ HDPE (Check Box)								X			
	Trenching w/ DI (Check Box)										X	
4	Trench Safety & Shoring	1	LS	N/A	\$ 3,000.00	N/A	\$ 4,000.00	N/A	\$ 2,496.00	N/A	\$ 1,000.00	
5	Unscheduled Excavation	100	CY	\$ 30.00	\$ 3,000.00	\$ 32.00	\$ 3,200.00	\$ 69.77	\$ 6,977.00	\$ 22.00	\$ 2,200.00	
6	Unscheduled Backfill	200	Ton	\$ 25.00	\$ 5,000.00	\$ 50.00	\$ 10,000.00	\$ 39.89	\$ 7,978.00	\$ 22.00	\$ 4,400.00	
7	Miscellaneous Owner Directed Work	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	
8	Operation & Maintenance Manuals and On Site Owner Training	1	LS	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	
9	Construction Records	1	LS	N/A	\$ 2,500.00	N/A	\$ 2,500.00	N/A	\$ 2,500.00	N/A	\$ 2,500.00	
	Sub Total Base Bid (does not include Washington State Sales Tax)				\$ 586,000.00		\$ 861,200.00		\$ 758,391.00		\$ 658,600.00	

Item	Description	Quantity	Unit	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	
ADDITIVE ALTERNATE												
10	2" PVC Conduit and 4 Handholes in Sewer Foremain Trench	1	LS	N/A	\$ 5,400.00	N/A	N/A	N/A	\$ 10,300.00	N/A	\$ 3,000.00	
	Sub Total Additive Alternate (does not include Washington State Sales Tax)				\$ 5,400.00		N/A		\$ 10,300.00		\$ 3,000.00	


BID GUARANTEE FOR PROJECTS OVER \$35,000? (YES OR NO) N/A YES YES YES

ADDENDUM ACKNOWLEDGED? (YES OR NO) N/A YES YES YES



**AGENDA
BILL
Item 5.C**

**Resolution No. 857
Revision to Purchasing Policy**

DATE SUBMITTED:	February 20, 2019	MEETING DATE:	March 13, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Resolution No. 857	
		2. Revision to Administrative Code Section 2.16 and 2.17 (redline/strikeout)	
		3. Purchasing Flow Diagrams	
TYPE OF ACTION REQUESTED	RESOLUTION <input checked="" type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

District purchasing policies are governed by Administrative Code chapters 2.16 (Purchase of Supplies, Materials or Equipment) and 2.17 (Public Works Contracts). Through implementation of these policies, staff has noted difficulty in interpreting the appropriate and/or applicable purchasing process, thus warranting reorganization of the subsections for easier interpretation. Similarly, there are sections that apply to the purchase of supplies, materials or equipment located solely in the public works contracting chapter, and vice versa. As staff began reorganization of the chapters, it was also noted that the Administrative Code is silent regarding the processes for procurement of other services defined under state statute (professional, personal, and purchased services). As a result, staff have combined chapters 2.16 and 2.17 of the Administrative Code into one overarching chapter (2.16) for purchasing of all anticipated forms of goods and services. To further assist staff in correct implementation of the proposed purchasing policies, staff have also created flow diagrams (attached) for each of the anticipated purchase categories.

FISCAL IMPACT

There is no fiscal impact in adopting this resolution.

RECOMMENDED BOARD ACTION

Staff recommends revision of the District's purchasing policies via adoption of Resolution No. 857.

PROPOSED MOTION

A recommended motion is:

"I move to adopt Resolution No. 857, as presented."

**LAKE WHATCOM WATER AND SEWER DISTRICT
RESOLUTION NO. 857**

A Resolution of the Board of Commissioners Repealing Resolution Nos. 833 and 834 and Administrative Code Sections 2.16 and 2.17 Updating the Purchasing Policies Governing the Procurement of Supplies, Materials and Equipment, and Award of Public Works Contracts, and Establishing Policy for Procurement of Professional, Personal, and Purchased Services

WHEREAS, the Lake Whatcom Water and Sewer District (District) Board of Commissioners (Board) has adopted resolutions from time-to-time updating District purchasing policies; and

WHEREAS, the District Board has reviewed its purchasing policies specific to the procurement of supplies, materials and equipment, and award of public works contracts and wishes to revise the order of presentation of those policies to facilitate implementation; and

WHEREAS, the District Board wishes to formalize purchasing policies relative to the procurement of professional, personal, and purchased services; and

WHEREAS, Exhibit A attached hereto is for reference purposes only, and identifies the specific amendments to the District's Administrative Code, with deletions in strikethrough and additions underlined; and

WHEREAS, the forgoing recitals are a material part of this Resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake Whatcom Water and Sewer District, Whatcom County, Washington as follows:

Section 1. Section 2.16 of the District Administrative Code is repealed and replaced with the following:

2.16 Purchasing Policy

Lake Whatcom Water and Sewer District will acquire equipment, materials, and services in a manner that results in the most efficient delivery of services considering cost and value received.

To avoid conflicts of interest, procurement will be impartial. Procurement of goods and services will provide the District with the best quality for the best value. Purchases will be made within budget limits and to meet goals and objectives approved in the District's budget. Potential purchases that are not within budget limits will be pre-approved through a budget amendment process. For purchases of goods or services in the amount of \$50,000.00 or less, the District General Manager shall have authority to award contracts or authorize purchases, provided that the funds for the contract or purchase are included in the then current budget. The Board of Commissioners shall award all contracts or authorize purchases over \$50,000.00.

The District reserves the right to implement a more stringent process than that which a purchase of goods or service may qualify for under Sections 2.16.4 through 2.16.8 if, in the opinion of the District General Manager, it is to the District's benefit to follow a more stringent process.

2.16.1 Definitions

1. "Contract" means a contract in writing for the purchase of a good, material, or equipment, or for the execution of a public work or service for a fixed or determinable amount duly awarded after advertisement and competitive bid, or a contract awarded under the purchasing processes set forth herein.
2. "Emergency" as defined by RCW 39.04.280, means any unforeseen circumstance beyond the control of the District that either presents a real, immediate danger to the property 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 disasters.
3. "Personal services" are services that are rendered by any person, other than as an employee of the District, contracting to perform activities that require technical expertise but are not professional services.
4. "Professional services" are services as defined in RCW 39.80.020(5) that are rendered by any person, other than as an employee of the District, contracting to perform activities within the scope of the general definition of professional practice in Chapters 18.08 (Architects), 18.43 (Engineers and Land Surveyors), or 18.96 (Landscape Architects) RCW.
5. "Public Work" as defined in RCW 39.04.010, means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District or with public funds. All public works, including maintenance when performed by contract shall comply with Chapter 39.12 RCW.
6. "Purchased services" are services that are rendered by vendors for routine, necessary, and continuing functions of the District. These services are usually repetitive, routine, or mechanical in nature, support the District's day-to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making.

2.16.2 Waiver of Competitive Bidding

The Board of Commissioners may waive competitive bidding requirements pursuant to RCW 39.04.280 if an exemption contained therein applies to the purchase or public work; provided that, any such waiver on the grounds that the contract is for a "sole source" purchase or service must also conform with the requirements of RCW 39.26.140. Immediately after a contract award is made, the contract and the factual basis for the exemption must be recorded and open to public inspection; except that, in the case of an emergency, the requirements of Section 2.16.3 shall be followed.

The Board of Commissioners may also waive competitive bidding requirements pursuant to RCW 39.32.090 which allows the District to purchase supplies, materials, electronic data processing and telecommunication equipment, software, services, and/or equipment through the United States government without calling for bids, notwithstanding any law or charter provision to the contrary. [Resolution No. 851]

2.16.3 Emergency Public Works and Purchases

1. Declaration of Emergency. If an emergency exists, the Board of Commissioners, General Manager, District Engineer/Assistant General Manager, Operations Manager, or Finance Manager, will issue a written declaration that an emergency exists, waiving competitive bidding requirements, and award all necessary contracts to address the emergency. If a federal or state emergency has been declared, the Board of Commissioners should pass a resolution acknowledging the declaration.
2. Emergency Board of Commissioner Meetings. Per RCW 42.30.070, emergency meetings are exempt from the normal 24-hour special meeting notice requirements of the Open Public Meetings Act.
3. Public Record of Emergency Contracts. Per RCW 39.04.280, if an emergency contract is awarded without competitive bidding, the Board of Commissioners or its designee must enter a written finding of an emergency into the public record no later than two (2) weeks following the contract award.
4. Once the emergency situation has been stabilized, the District will proceed with additional work or repairs using its normal procedures.

2.16.4 Purchase of Supplies, Materials or Equipment

2.16.4.1 Approval of Purchases

A manager acting within the budget is authorized to provide for purchases of supplies, materials, or equipment in accordance with this Section. The General Manager may implement reasonable administrative procedures for purchases of supplies, materials, or equipment consistent with these policies.

2.16.4.2 Establishing a Vendor List

Per RCW 57.08.050 and RCW 39.04.190, the District shall establish a vendor list for purchases of supplies, materials, or equipment less than \$50,000.00, or in such different amount as authorized by future legislative amendment. New vendors may be added to the District's vendor list at any time.

Publication of List: Twice a year the District shall publish in a local newspaper notice of the existence of the District's roster of vendors, and shall solicit names of vendors for the roster.

2.16.4.3 Purchase Orders

Purchase orders shall be used for all purchases greater than \$1,000.00 unless purchase is made by formal written contract. For purchases less than \$1,000.00, a signed receipt must be turned in to the finance department. A District manager may designate a monthly purchase order for

competitive price is established and to award contracts to the lowest responsible bidder, as defined in RCW 39.04.010 and RCW 39.04.350. 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. 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 (5) contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted; provided that, if the estimated cost of work is from one hundred fifty thousand dollars (\$150,000.00) to three hundred thousand dollars (\$300,000.00) or within such other amounts as are provided by future amendment to state statute (RCW 39.04.155), the District shall notify the remaining contractors on the small works roster that quotations on the work are being sought. Said notice may be provided by any means authorized by state statute (RCW 39.04.155), or as said statute is later amended. The District will attempt to equitably distribute the opportunity among the contractors on the appropriate roster by not favoring certain contractors over other contractors who perform similar services. Immediately after an award is made, the bid quotations obtained shall be noted in writing, open to public inspection, and available by telephone inquiry.

5. **Determining Lowest Responsible Bidder.** The District shall award the contract for the public works project to the lowest responsible bidder who meets applicable responsibility criteria set forth in RCW 39.04, however, the District reserves the right to reject all proposals and re-solicit the call for proposals, to waive informalities or irregularities in a proposal or in the proposal process, or to accept the proposal that is in the best interest of the District. This section shall also apply to use of the limited public works roster under Section 7 herein.

6. **Award and Compliance.** All bids and quotations shall be collected and presented at the same time to the District for consideration and determination of the lowest responsible bidder and award of the job. In general, all contractors must comply with the following:
 - a. Prevailing wages must be paid and documented in compliance with RCW 39.12.
 - b. A Performance Bond shall be executed in compliance with RCW 39.08 prior to beginning work.
 - c. The contractor must hold a current Washington State Contractor's License.
 - d. The contractor must provide a certificate of insurance naming District as additional insured.
 - 1) General Liability \$1,000,000 per occurrence/\$2,000,000 aggregate, automobile liability.
 - 2) \$1,000,000 Worker's Compensation and Employer's Liability insurance in the amount required by law and paid to date.
 - e. Contractor must have a satisfactory record of performance
 - f. Contractor must meet any mandatory bidder responsibility criteria established by RCW 39.05.155 or elsewhere in state law, and any supplementary bidder responsibility criteria established by the District.

vendors with repeated purchases, so long as such purchases from any one vendor, when aggregated on an annual basis, otherwise comply with Section 2.16.4.

2.16.4.4 Purchase of Low Cost Items (less than \$1,000.00)

For items under \$1,000.00, quotes need not be obtained if a manager believes there is sufficient prior experience with purchasing the item to ensure that the price obtained is competitive. In such cases, it is not practicable to research comparative prices because the cost of the investigation is likely to exceed the value of potential savings, and because there are not sufficient staff resources to devote to the process for such minor purchases.

The General Manager still may require quotes for purchases under \$1,000.00 if, in the judgment of the General Manager, it is necessary to ensure a competitive price.

2.16.4.5 Purchases less than \$40,000.00

The District is not required to use a formal contract when the total estimated cost of the purchase does not exceed \$40,000.00. Purchase orders shall be used as described in Section 2.16.4.3.

2.16.4.6 Purchases less than \$50,000.00

Any purchase of materials, supplies, or equipment, with an estimated cost of less than \$50,000.00, or such different amount as may be authorized by future amendment of RCW 57.08.050, may be awarded as provided herein.

The District shall secure telephone or written quotes from vendors on the District's current established list of vendors for the appropriate category of materials. Quotes received by e-mail or facsimile transmission shall qualify as written quotes. This process is intended to assure a competitive price and to award contracts for purchases of materials, supplies, and equipment to the lowest responsible bidder. Whenever possible, the District shall obtain quotes from at least three vendors on the District's current established vendor list. Procedures for establishing and maintaining a vendor list are described in Section 2.16.4.2.

Immediately after the award is made, the bid quotations obtained shall be recorded, open to public inspection, and shall be made available by telephone inquiry.

2.16.4.7 Purchases greater than \$50,000.00

Any purchase of materials, supplies, or equipment with an estimated cost of \$50,000.00 or more, or such different amount as authorized by future amendment of RCW 57.08.050, must be competitively bid per RCW 57.08.050.

2.16.4.8 Alternative Purchasing Process

As an alternative process for purchasing materials, supplies and equipment, the District may let any contract for purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing rosters for the materials, supplies, or equipment, when the roster has been established in accordance with competitive bidding law for purchases applicable to the state agency, county city, or town. The price and terms for purchase shall be as described on the applicable roster.

2.16.5 Public Works Contracts

2.16.5.1 Contracts less than \$50,000.00

The District need not comply with formal bidding procedures as set forth in RCW 57.08.050 when the estimated cost does not exceed \$50,000.00.

2.16.5.2 Contracts less than \$300,000.00

The District may use the small works roster as described in RCW 39.04.155(1) and section 2.16.5.4 for public work with an estimated cost of \$300,000.00 or less.

2.16.5.3 Contracts greater than \$300,000.00

All public work estimated to cost in excess of the small works roster maximum of \$300,000.00, or such different maximum amount as may be authorized by future legislative amendment, shall be subject to formal competitive bidding procedures required by applicable state law.

2.16.5.4 Contracts Utilizing Small Works Roster

All contracts for public work which are not exempt from public bidding under RCW 57.08.050, as hereafter amended, the estimated cost for which is three hundred thousand dollars (\$300,000.00) or less pursuant to RCW 39.04.155, or in such different estimated cost threshold as provided in future amendment thereof, may be awarded as provided herein. Said estimated costs shall include the costs of labor, material, equipment and sales and/or use taxes as applicable.

1. **Cost.** The District need not comply with formal sealed bidding procedures and may award public works contracts in conformance herewith for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property.
2. **MRSC and Roster Options.** The General Manager is authorized to contract with Municipal Research and Services Center of Washington (MRSC) for roster service. While under contract with MRSC, MRSC will adopt for District use those state-wide electronic databases for small public works roster developed and maintained by MRSC. The District may utilize said state-wide electronic databases for selection of contractors in conformance with this Chapter.
3. **Publication for Contractors on Small Works Roster(s).** At least once a year, on behalf of the District, MRSC shall publish in the Bellingham Herald a notice of the existence of the small works roster or rosters and solicit statements of qualifications from firms providing contractor services. Such advertisements will include information on how to find the address and telephone number of a representative of the District who can provide further details as to the District's projected needs for public works contractors from the small works roster. Firms or persons providing public work contracting services shall be added to appropriate MRSC roster or rosters at any time that they submit a written request and necessary records. The District may require master contracts to be signed that become effective when a specific award is made using a small works roster.
4. **Written or Electronic Quotation Process for Small Works Roster.** The District shall obtain written or electronic quotations for public works projects to assure that a

- 7. Alternative Limited Small Works Roster Process for Small Public Works Projects**
- a. In lieu of awarding contracts under Sections 1 through 6 herein, the District may award a contract for public work estimated to cost less than thirty-five thousand dollars (\$35,000.00), or such other amount as is authorized by future amendment of state statute (RCW 39.04.155), using the limited public works process provided under this section. Public works projects awarded under this section are exempt from providing a certificate of insurance naming the District as additional insured, and are further exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010.

 - b. For limited public works projects, the District shall solicit electronic or written quotations from a minimum of three (3) contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder. After an award is made, the quotations shall be open to public inspection and available by telephonic or electronic request. The District shall attempt to distribute opportunities for limited public works projects equitably among contractors willing to perform in the geographic area of work. The District shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four (24) months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded. For limited public works projects, the District may in its discretion waive the payment and performance bond requirements of Chapter 39.08 RCW and the retainage requirements of Chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes imposed under Title 82 RCW that may be due from the contractor for the limited public works project, however the District shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

2.16.6 Professional Services Contracts

2.16.6.1 Establishing a Professional Services Roster

Per RCW 39.80.040, the District shall encourage architectural and engineering firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data. The District shall meet the requirements of RCW 39.80.040 through contract with the Municipal Research Services Center, which will provide District access to the MRSC Rosters program (www.mrscrosters.org) professional services roster.

2.16.6.2 Services less than \$50,000.00

For professional services in which the comprehensive cost of services is estimated to be below \$50,000.00, the District shall provide a scope of work to one (1) or more consultants or persons listed on the current MRSC professional services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications (SOQ) by a specific date. Following the pre-defined deadline for SOQ submittal, the District shall evaluate each of the SOQs received by the deadline and create a short-list of preferred consultants to conduct interviews or directly select a consultant in which to initiate contract negotiations. If

the District chooses to perform interviews of short-listed consultants, the District shall select a consultant following interviews with which to initiate contract negotiations.

2.16.6.3 Services between \$50,000.00 and \$200,000.00

For professional services in which the comprehensive cost of services is estimated to be between \$50,000.00 and \$200,000.00, the District shall provide a scope of work to a minimum of three (3) consultants or persons listed on the current MRSC professional services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications (SOQ) by a specific date. Following the pre-defined deadline for SOQ submittal, the District shall evaluate each of the SOQs received and create a short-list of a minimum of three (3) preferred consultants to interview; if less than three (3) SOQs are received, the short-list shall be comprised of all consultants that submitted an SOQ. Following completion of all interviews, the District shall select a consultant with which to initiate contract negotiations.

2.16.6.4 Services greater than \$200,000.00

For professional services in which the comprehensive cost of services is estimated to be greater than \$200,000.00, the District shall secure the services through a structured public advertisement process; the MRSC professional services roster shall not be used. The District shall place an advertisement in the Bellingham Herald, at a minimum, that describes the required services, directs potential responders to where a comprehensive request for qualifications may be obtained, and identifies the response deadline. Following the pre-defined deadline for statement of qualification (SOQ) submittal, the District shall evaluate each of the SOQs received and create a short-list of a minimum of three (3) preferred consultants to interview. Following completion of all interviews, the District shall select a consultant with which to initiate contract negotiations.

2.16.7 Personal Services Contracts

2.16.7.1 Establishing a Personal Services Roster

The District shall establish a personal services roster through contract with the Municipal Research Services Center, which will provide District access to the MRSC Rosters program (www.mrscrosters.org) personal services roster.

2.16.7.2 Services less than \$5,000.00

For personal services in which the comprehensive cost of services is estimated to be below \$5,000.00, the District shall provide a scope of work to one (1) or more consultants or persons listed on the current MRSC personal services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received by the deadline and negotiate a contract with the lowest responsible, responsive bidder.

2.16.7.3 Services between \$5,000.00 and \$50,000.00

For personal services in which the comprehensive cost of services is estimated to be between \$5,000.00 and \$50,000.00, the District shall provide a scope of work to a minimum of three (3) consultants or persons listed on the current MRSC personal services roster in the category(ies)

under which the anticipated services most nearly relate and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.16.7.4 Services greater than \$50,000.00

For personal services in which the comprehensive cost of services is estimated to be greater than \$50,000.00, the District shall secure the services through a structured public advertisement process. The District shall place an advertisement in the Bellingham Herald that describes the required services, directs potential responders to where a comprehensive request for proposals (RFP) may be obtained, and identifies the response deadline. Proposals shall consist of, as a minimum, a statement of qualifications, schedule, and prices. Following the pre-defined deadline for proposal submittal, the District shall conduct a public bid opening and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.16.8 Purchased Services Contracts

2.16.8.1 Services less than \$5,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be below \$5,000.00, the District shall provide via oral or written communication a scope of work to one (1) or more vendors or persons capable of providing the anticipated services and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received by the deadline and negotiate a contract with the bidder found in the District's opinion to have the experience and knowledge to provide the highest-quality product at the lowest price.

2.16.8.2 Services between \$5,000.00 and \$50,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be between \$5,000.00 and \$50,000.00, the District shall provide a written scope of work to a minimum of three (3) vendors or persons capable of providing the anticipated services and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.16.8.3 Services greater than \$50,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be greater than \$50,000.00, the District shall secure the services through a structured public advertisement process. The District shall place an advertisement in the Bellingham Herald that describes the required services, directs potential responders to where a comprehensive request for proposals (RFP) may be obtained, and identifies the response deadline. Proposals shall consist of, as a minimum, a statement of qualifications, schedule, and prices. Following the pre-defined deadline for proposal submittal, the District conduct a public bid opening and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

Section 2. Section 2.17 of the District Administrative Code is repealed and replaced with former Section 2.18, Other Purchase Procedures.

Section 3. Section 2.18 of the District Administrative Code is repealed and replaced with former Section 2.19, Reserve Policy.

Section 4. Section 2.19 of the District Administrative Code is repealed and replaced with former Section 2.20, Debt Management Policy.

Section 5. Section 2.20 of the District Administrative Code is repealed and replaced with former Section 2.21, Identity Theft Program.

Section 6. Section 2.21 of the District Administrative Code is repealed and replaced with former Section 2.22, Anti-Fraud Policy.

Section 7: BE IT FURTHER RESOLVED that any resolutions or parts of resolutions in conflict herewith are hereby repealed insofar as they conflict with the provisions of this Resolution.

Section 8: If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have passed this code and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional.

Section 9: This Resolution shall be effective immediately.

ADOPTED by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a regular meeting thereof, on the 13th day of March, 2019.

Laura Abele, Commissioner

Todd Citron, Commissioner

Bruce Ford, Commissioner

Leslie McRoberts, Commissioner

John Carter, Commissioner

Approved as to form, District legal counsel

2.16 Purchase of Supplies, Materials or Equipment Purchasing Policy

Lake Whatcom Water and Sewer District will acquire equipment, materials, and services in a manner that results in the most efficient delivery of services considering cost and value received.

Comment [JC1]: 2.16 (purchase of goods, equipment and materials) combined with 2.17 (public works contracting) and expanded to include other types of purchases (professional, personal, and purchased services).

To avoid conflicts of interest, procurement will be impartial. Procurement of goods and services will provide the District with the best quality for the best value. Purchases will be made within budget limits and to meet goals and objectives approved in the District's budget. Potential purchases that are not within budget limits will be pre-approved through a budget amendment process. For purchases of goods or services in the amount of \$50,000.00 or less, the District General Manager shall have authority to award contracts or authorize purchases, provided that the funds for the contract or purchase are included in the then current budget. The Board of Commissioners shall award all contracts or authorize purchases over \$50,000.00. [Resolution No. 833]

Comment [JC2]: From Public Works-small works roster award section and expanded to raise purchase authority and broaden to all purchases (not just public works).

The District reserves the right to implement a more stringent process than that which a purchase of goods or service may qualify for under Sections 2.16.4 through 2.16.8 if, in the opinion of the District General Manager, it is to the District's benefit to follow a more stringent process.

Comment [JC3]: New clause to not be bound to the minimum purchasing process based upon estimated cost.

2.16.15 Definitions Public Works Contracts

Definitions

- 1.a) "Contract" means a contract in writing for the purchase of a good, material, or equipment, or for the execution of a public work or service for a fixed or determinable amount duly awarded after advertisement and competitive bid, or a contract awarded under the purchasing processes set forth herein.
- 2.b) "Emergency" as defined by RCW 39.04.280, means any unforeseen circumstance beyond the control of the District that either presents a real, immediate danger to the property performance of essential functions, or will likely result in material loss or damage to property, bodily injury, or loss of live if immediate action is not taken. This includes declared federal or state disasters, as well as local agency-declared disasters.
3. "Personal services" are services that are rendered by any person, other than as an employee of the District, contracting to perform activities that require technical expertise but are not professional services.
4. "Professional services" are services as defined in RCW 39.80.020(5) that are rendered by any person, other than as an employee of the District, contracting to perform activities within the scope of the general definition of professional practice in Chapters 18.08 (Architects), 18.43 (Engineers and Land Surveyors), or 18.96 (Landscape Architects) RCW.
- 5.e) "Public Work" as defined in RCW 39.04.010, means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District or with public funds. All public works, including maintenance when performed by contract shall comply with Chapter 39.12 RCW.
6. "Purchased services" are services that are rendered by vendors for routine, necessary, and continuing functions of the District. These services are usually repetitive, routine, or mechanical in

nature, support the District's day-to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making.

2.16.2 Waiver of Competitive Bidding

The Board of Commissioners may waive competitive bidding requirements pursuant to RCW 39.04.280 if an exemption contained therein applies to the purchase or public work; provided that, any such waiver on the grounds that the contract is for a "sole source" purchase or service must also conform with the requirements of RCW 39.26.140. Immediately after a contract award is made, the contract and the factual basis for the exemption must be recorded and open to public inspection; except that, in the case of an emergency, the requirements of Section 2.16.3 shall be followed.

Comment [JC4]: Section pulled out of Public Works Contracting section because it also applies to purchase of goods, equipment, and materials.

The Board of Commissioners may also waive competitive bidding requirements pursuant to RCW 39.32.090 which allows the District to purchase supplies, materials, electronic data processing and telecommunication equipment, software, services, and/or equipment through the United States government without calling for bids, notwithstanding any law or charter provision to the contrary. [Resolution No. 851]

2.16.3 Emergency Public Works and Purchases

1. Declaration of Emergency. If an emergency exists, the Board of Commissioners, General Manager, District Engineer/Assistant General Manager, Operations Manager, or Finance Manager, will issue a written declaration that an emergency exists, waiving competitive bidding requirements, and award all necessary contracts to address the emergency. If a federal or state emergency has been declared, the Board of Commissioners should pass a resolution acknowledging the declaration.
2. Emergency Board of Commissioner Meetings. Per RCW 42.30.070, emergency meetings are exempt from the normal 24-hour special meeting notice requirements of the Open Public Meetings Act.
3. Public Record of Emergency Contracts. Per RCW 39.04.280, if an emergency contract is awarded without competitive bidding, the Board of Commissioners or its designee must enter a written finding of an emergency into the public record no later than two (2) weeks following the contract award.
4. Once the emergency situation has been stabilized, the District will proceed with additional work or repairs using its normal procedures.

Comment [JC5]: Section pulled out of Public Works Contracting section because it also applies to purchase of goods, equipment, and materials.

2.16.4 Purchase of Supplies, Materials or Equipment

2.16.4.17 Approval of Purchases

A manager acting within the budget is authorized to provide for purchases of supplies, materials, or equipment in accordance with this Section. The General Manager may implement reasonable administrative procedures for purchases of supplies, materials, or equipment consistent with these policies. [Resolution No. 833]

2.16.4.21 Establishing a Vendor List

Per RCW 57.08.050 and RCW 39.04.190, the District shall establish a vendor list for purchases of supplies, materials, or equipment less than \$50,000.00, or in such different amount as authorized by future legislative amendment. New vendors may be added to the District's vendor list at any time.

Comment [JC6]: District completes this through contract with MRSC.

Publication of List: Twice a year the District shall publish in a local newspaper notice of the existence of the District's roster of vendors, and shall solicit names of vendors for the roster. ~~[Resolution No. 833]~~

2.16.4.3 Purchase Orders

Purchase orders shall be used for all purchases greater than \$1,000.00 unless purchase is made by formal written contract. For purchases less than \$1,000.00, a signed receipt must be turned in to the finance department. A District manager may designate a monthly purchase order for vendors with repeated purchases, so long as such purchases from any one vendor, when aggregated on an annual basis, otherwise comply with this Section 2.16.4. ~~[Resolution No. 833]~~

2.16.4.46 Procedure to Acquire Purchase of Low Cost Items (less than \$1,000.00)

For items under \$1,000.00, quotes need not be obtained if a manager believes there is sufficient prior experience with purchasing the item to ensure that the price obtained is competitive. In such cases, it is not practicable to research comparative prices because the cost of the investigation is likely to exceed the value of potential savings, and because there are not sufficient staff resources to devote to the process for such minor purchases.

The General Manager still may require quotes for purchases under \$1,000.00 if, in the judgment of the General Manager, it is necessary to ensure a competitive price. ~~[Resolution No. 833]~~

2.16.4.52 Purchases less than \$40,000.00

The District is not required to use a formal contract when the total estimated cost of the purchase does not exceed \$40,000.00. Special attention should be paid to items less than \$40,000.00 that may be purchased repeatedly during the course of the year. Purchase orders shall be used as described in Title Section 2.16.4.3. ~~[Resolution No. 833]~~

Comment [JC7]: Delete as this is redundant with last sentence of 2.16.4.3.

~~**2.16.3 Purchase Orders**~~

~~Purchase orders shall be used for all purchases greater than \$1,000.00 unless purchase is made by formal written contract. For purchases less than \$1,000.00, a signed receipt must be turned in to the finance department. A District manager may designate a monthly purchase order for vendors with repeated purchases, so long as such purchases from any one vendor, when aggregated on an annual basis, otherwise comply with this section. ~~[Resolution No. 833]~~~~

2.16.4.64 Purchases less than \$50,000.00

Any purchase of materials, supplies, or equipment, with an estimated cost of less than \$50,000.00, or such different amount as may be authorized by future amendment of RCW 57.08.050, may be awarded as provided herein.

The District shall secure telephone or written quotes from vendors on the District's current established list of vendors for the appropriate category of materials. Quotes received by e-mail or facsimile transmission shall qualify as written quotes. This process is intended to assure a competitive price and to award contracts for purchases of materials, supplies, and equipment to the lowest responsible bidder. Whenever possible, the District shall obtain quotes from at least three vendors on the District's current established vendor list. Procedures for establishing and maintaining a vendor list are described in ~~Title Section 2.16.4.21.~~

Immediately after the award is made, the bid quotations obtained shall be recorded, open to public inspection, and shall be made available by telephone inquiry. ~~[Resolution No. 833]~~

2.16.4.75 Purchases greater than \$50,000.00

Any purchase of materials, supplies, or equipment with an estimated cost of \$50,000.00 or more, or such different amount as authorized by future amendment of RCW 57.08.050, must be competitively bid per RCW 57.08.050. ~~[Resolution No. 833]~~

~~2.16.6 Procedure to Acquire Low Cost Items~~

~~For items under \$1,000.00, quotes need not be obtained if there is sufficient prior experience with purchasing the item to ensure that the price obtained is competitive. In such cases, it is not practicable to research comparative prices because the cost of the investigation is likely to exceed the value of potential savings, and because there are not sufficient staff resources to devote to the process for such minor purchases.~~

~~The General Manager still may require quotes for purchases under \$1,000.00 if, in the judgment of the General Manager, it is necessary to ensure a competitive price. [Resolution No. 833]~~

~~2.16.7 Approval of Purchases~~

~~A manager acting within the budget is authorized to provide for purchases of supplies, materials, or equipment in accordance with this Section. The General Manager may implement reasonable administrative procedures for purchases of supplies, materials, or equipment consistent with these policies. [Resolution No. 833]~~

2.16.4.8 Alternative Purchasing Process

As an alternative process for purchasing materials, supplies and equipment, the District may let any contract for purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing rosters for the materials, supplies, or equipment, when the roster has been established in accordance with competitive bidding law for purchases applicable to the state agency, county city, or town. The price and terms for purchase shall be as described on the applicable roster. Purchase orders shall be used for all purchases greater than \$1,000.00 unless purchase is made by formal written contract. For purchases less than \$1,000.00, a signed receipt must be turned in to the finance department. A District manager may designate a monthly purchase order for vendors with repeated purchases, so long as such purchases from any one vendor, when aggregated on an annual basis, otherwise comply with this section. ~~[Resolution No. 833]~~

Comment [JC8]: Delete as this is redundant with text in Section 2.16.4.3.

~~2.17~~ **Public Works Contracts**

~~2.17.5~~ **Public Works Contracts**

Definitions

- ~~a) "Contract" means a contract in writing for the execution of a public work for a fixed or determinable amount duly awarded after advertisement and competitive bid, or a contract awarded under the small works roster process set forth herein. [Resolution No. 833]~~
- ~~b) "Emergency" as defined by RCW 39.04.280 means any unforeseen circumstance beyond the control of the municipality that either present a real, immediate danger to the property 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 disasters. [Resolution No. 834]~~
- ~~c) "Public Work" means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District or with public funds. All public works, including maintenance when performed by contract shall comply with Chapter 39.12 RCW. [Resolution No. 833]~~

~~2.16.5~~ **Public Works Contracts**

2.167.5.1 Contracts less than \$50,000.00

The District need not comply with formal bidding procedures as set forth in RCW 57.08.050 when the estimated cost does not exceed \$50,000.00. ~~[Resolution No. 833]~~

2.176.5.2 Contracts less than \$300,000.00

The District may use the small works roster as described in RCW 39.04.155(1) and section 2.176.5.4 for public work with an estimated cost of \$300,000.00 or less. ~~[Resolution No. 833]~~

~~2.176.5.37 Public Works Contracts greater than \$300,000.00 in Excess of Qualifying Amount Established by Small Works Roster~~

~~All public work estimated to cost in excess of the small works roster maximum of \$300,000.00, or such different maximum amount as may be authorized by future legislative amendment, shall be subject to any formal competitive bidding procedures required by applicable state law. The District reserves the right to award public work estimated to cost less than the small works roster maximum of \$300,000.00, or such different maximum amount as may be authorized by future legislative amendment, by following competitive bidding procedures required by applicable state law for larger public works projects. [Resolution No. 833]~~

Comment [JC9]: No longer needed -- now redundant with the 3^d paragraph added under 2.16.

~~2.16.5.47.6~~ **Contracts Utilizing Small Works Roster**

~~All contracts for public work which are not exempt from public bidding under RCW 57.08.050, as hereafter amended, the estimated cost for which is three hundred thousand dollars (\$300,000.00) or less pursuant to RCW 39.04.155, or in such different estimated cost threshold as provided in future amendment thereof, may be awarded as provided herein as provided herein. The small works roster shall be utilized by the District in accordance with this section. Said estimated costs shall include the costs of labor, material, equipment and sales and/or use taxes as applicable.~~

1. ~~Cost. The District need not comply with formal sealed bidding procedures and may award public works contracts in conformance herewith for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost of such work is three hundred thousand dollars (\$300,000.00) or less, pursuant to RCW 39.04.155, or in such different estimated cost amount as provided in future amendment thereof. Said estimated costs shall include the costs of labor, material, equipment and sales and/or use taxes as applicable.~~

Comment [JC10]: Redundant with 2.16.5.4.

2. ~~MRSC and Roster Options. The General Manager is authorized to contract with Municipal Research and Services Center of Washington (MRSC) for roster service. While under contract with MRSC, MRSC will adopt for District use those state-wide electronic databases for small public works roster developed and maintained by MRSC. The District may utilize said state-wide electronic databases for selection of contractors in conformance with this Chapter.~~

3. ~~Publication for Contractors on Small Works Roster(s). At least once a year, on behalf of the District, MRSC shall publish in the Bellingham Herald a notice of the existence of the small works roster or rosters and solicit statements of qualifications from firms providing contractor services. Such advertisements will include information on how to find the address and telephone number of a representative of the District who can provide further details as to the District's projected needs for public works contractors from the small works roster. Firms or persons providing public work contracting services shall be added to appropriate MRSC roster or rosters at any time that they submit a written request and necessary records. The District may require master contracts to be signed that become effective when a specific award is made using a small works roster.~~

4. ~~Written or Electronic Quotation Process for Small Works Roster. The District shall obtain written or electronic quotations for public works projects to assure that a competitive price is established and to award contracts to the lowest responsible bidder, as defined in RCW 39.04.010 and RCW 39.04.350. 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. 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 (5) contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted; provided that, if the estimated cost of work is from one hundred fifty thousand dollars (\$150,000.00) to three hundred thousand dollars (\$300,000.00) or within such other amounts as are provided by future amendment to state statute (RCW 39.04.155), the District shall notify the remaining contractors on the small works roster that quotations on the work are being sought. Said notice may be provided by any means authorized by state statute (RCW 39.04.155), or as said statute is later amended. The District will attempt to equitably distribute the opportunity among the contractors on the appropriate roster by not favoring certain contractors over other contractors who perform similar services. Immediately after an award is made, the bid quotations obtained shall be noted in writing, open to public inspection, and available by telephone inquiry.~~

~~Determining Lowest Responsible Bidder. The District shall award the contract for the public works project to the lowest responsible bidder who meets applicable responsibility criteria, however, the District reserves the right to reject all proposals and re-solicit the call for proposals, to waive informalities or irregularities in a proposal or in the proposal process, or to accept the proposal that is in the best interest of the District. This section shall also apply to use of the limited public works~~

roster under Section g herein.

~~Award and Compliance. All bids and quotations shall be collected and presented at the same time to the District for consideration and determination of the lowest responsible bidder and award of the job. In general, all contractors must comply with the following:~~

- ~~a. Prevailing wages must be paid and documented in compliance with RCW 39.12.~~
- ~~b. A Performance Bond shall be executed in compliance with RCW 39.08 prior to beginning work.~~
- ~~c. The contractor must hold a current Washington State Contractor's License.~~

~~The contractor must provide a certificate of insurance naming District as additional insured.~~
~~General Liability \$1,000,000 per occurrence/\$2,000,000 aggregate, automobile liability.~~

- ~~1) \$1,000,000 Worker's Compensation and Employer's Liability insurance in the amount required by law and paid to date.~~

- ~~d. Contractor must have a satisfactory record of performance.~~

~~Contractor must meet any mandatory bidder responsibility criteria established by RCW 39.05.155 or elsewhere in state law, and any supplementary bidder responsibility criteria established by the District.~~

5. Determining Lowest Responsible Bidder. The District shall award the contract for the public works project to the lowest responsible bidder who meets applicable responsibility criteria set forth in RCW 39.04, however, the District reserves the right to reject all proposals and re-solicit the call for proposals, to waive informalities or irregularities in a proposal or in the proposal process, or to accept the proposal that is in the best interest of the District. This section shall also apply to use of the limited public works roster under Section 7 herein.

6. Award and Compliance. All bids and quotations shall be collected and presented at the same time to the District for consideration and determination of the lowest responsible bidder and award of the job. In general, all contractors must comply with the following:

- a. Prevailing wages must be paid and documented in compliance with RCW 39.12.
- b. A Performance Bond shall be executed in compliance with RCW 39.08 prior to beginning work.
- c. The contractor must hold a current Washington State Contractor's License.
- d. The contractor must provide a certificate of insurance naming District as additional insured.
 - 1) General Liability \$1,000,000 per occurrence/\$2,000,000 aggregate, automobile liability.
 - 2) \$1,000,000 Worker's Compensation and Employer's Liability insurance in the amount required by law and paid to date.
- e. Contractor must have a satisfactory record of performance
- f. Contractor must meet any mandatory bidder responsibility criteria established by RCW 39.05.155 or elsewhere in state law, and any supplementary bidder responsibility criteria established by the District.

7. Alternative Limited Small Works Roster Process for Small Public Works Projects

a. In lieu of awarding contracts under Sections 2.17.1 through 2.17.6 herein, the District may award a contract for public work estimated to cost less than thirty-five thousand dollars (\$35,000.00), or such other amount as is authorized by future amendment of state statute (RCW 39.04.155), using the limited public works process provided under this section. Public works projects awarded under this section are exempt from the requirements of the small works roster process provided under Section 2.17.4 herein providing a certificate of insurance naming the District as additional insured, and are further exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010.

b. For limited public works projects, the District shall solicit electronic or written quotations from a minimum of three (3) contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder. After an award is made, the quotations shall be open to public inspection and available by telephonic or electronic request. The District shall attempt to distribute opportunities for limited public works projects equitably among contractors willing to perform in the geographic area of work. The District shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four (24) months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded. For limited public works projects, the District may in its discretion waive the payment and performance bond requirements of Chapter 39.08 RCW and the retainage requirements of Chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes imposed under Title 82 RCW that may be due from the contractor for the limited public works project, however the District shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

~~Process of Award. The General Manager or his designee shall present all telephone quotations/bids and recommendation for award of the contract to the lowest responsible bidder to the Board of Commissioners. However, for public works projects in the amount of \$20,000.00 or less, the District General Manager or Assistant General Manager shall have authority to award public works contracts provided that the funds for the contract are included in the then current budget. The Board of Commissioners shall award all public works contracts over \$20,000.00. [Resolution No. 833]~~

Comment [JC11]: Added in 2.16.

2.17.3—Waiver of Competitive Bidding

The Board of Commissioners may waive competitive bidding requirements pursuant to RCW 39.04.280 if an exemption contained therein applies to the purchase of public work; provided that, any such waiver on the grounds that the contract is for a "sole source" purchase or service must also conform with the requirements of RCW 39.26.140.

The Board of Commissioners may also waive competitive bidding requirements pursuant to RCW 39.32.090 which allows the District to purchase supplies, materials, electronic data processing and telecommunication equipment, software, services, and/or equipment through the United States government without calling for bids, notwithstanding any law or charter provision to the contrary. [Resolution No. 851]

Immediately after a contract award is made pursuant to this section, the contract and the factual basis for the exception must be recorded and open to public inspection; except that, in the case of an emergency, the requirements of RCW 39.04.280 shall be followed. [Resolution 833]

2.17.4—Emergency Public Works and Purchases

1. ~~Declaration of Emergency.~~ If an emergency exists, the Board of Commissioners, General Manager, District Engineer / Assistant General Manager, or Finance Manager, will issue a written declaration that an emergency exists, waiving competitive bidding requirements, and award all necessary contracts to address the emergency. If a federal or state emergency has been declared, the Board of Commissioners should pass a resolution acknowledging the declaration.
2. ~~Emergency Board of Commissioner Meetings.~~ Per RCW 42.30.070, emergency meetings are exempt from the normal 24-hour special meeting notice requirements of the Open Public Meetings Act.
3. ~~Public Record of Emergency Contracts.~~ Per RCW 39.04.280, if an emergency contract is awarded without competitive bidding, the Board of Commissioners or its designee must enter a written finding of an emergency into the public record no later than two (2) weeks following the contract award.
4. Once the emergency situation has been stabilized, the District will proceed with additional work or repairs using its normal Public Works Contract policies.
[Resolution No. 834]

2.17.5—Public Works Contracts

Definitions

- a) ~~"Contract"~~ means a contract in writing for the execution of a public work for a fixed or determinable amount duly awarded after advertisement and competitive bid, or a contract awarded under the small works roster process set forth herein. [Resolution No. 833]
- b) ~~"Emergency"~~ as defined by RCW 39.04.280 means any unforeseen circumstance beyond the control of the municipality that either present a real, immediate danger to the property 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 disasters. [Resolution No. 834]
- c) ~~"Public Work"~~ means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District or with public funds. All public works, including maintenance when performed by contract shall comply with Chapter 39.12 RCW.
[Resolution No. 833]

2.17.6—Small Works Roster

All contracts for public work which are not exempt from public bidding under RCW 57.08.050, as hereafter amended, the estimated cost for which is three hundred thousand dollars (\$300,000.00) or less pursuant to RCW 39.04.155, or in such different estimated cost threshold as provided in future amendment thereof, may be awarded as provided herein. The small works roster shall be utilized by the District in accordance with this section.

~~1. **Cost.** The District need not comply with formal sealed bidding procedures and may award public works contracts in conformance herewith for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost of such work is three hundred thousand dollars (\$300,000.00) or less, pursuant to RCW 39.04.155, or in such different estimated cost amount as provided in future amendment thereof. Said estimated costs shall include the costs of labor, material, equipment and sales and/or use taxes as applicable.~~

~~2.1. **MRSC and Roster Options.** The General Manager is authorized to contract with Municipal Research and Services Center of Washington (MRSC). While under contract with MRSC, MRSC will adopt for District use those state-wide electronic databases for small public works roster developed and maintained by MRSC. The District may utilize said state-wide electronic databases for selection of contractors in conformance with this Chapter.~~

~~3.1. **Publication for Contractors on Small Works Roster(s).** At least once a year, on behalf of the District, MRSC shall publish in the Bellingham Herald a notice of the existence of the small works roster or rosters and solicit statements of qualifications from firms providing contractor services. Such advertisements will include information on how to find the address and telephone number of a representative of the District who can provide further details as to the District's projected needs for public works contractors from the small works roster. Firms or persons providing public work contracting services shall be added to appropriate MRSC roster or rosters at any time that they submit a written request and necessary records. The District may require master contracts to be signed that become effective when a specific award is made using a small works roster.~~

~~4.1. **Written or Electronic Quotation Process for Small Works Roster.** The District shall obtain written or electronic quotations for public works projects to assure that a competitive price is established and to award contracts to the lowest responsible bidder, as defined in RCW 39.04.010 and RCW 39.04.350. 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. 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 (5) contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, provided that, if the estimated cost of work is from one hundred fifty thousand dollars (\$150,000.00) to three hundred thousand dollars (\$300,000.00) or within such other amounts as are provided by future amendment to state statute (RCW 39.04.155), the District shall notify the remaining contractors on the small works roster that quotations on the work are being sought. Said notice may be provided by any means authorized by state statute (RCW 39.04.155), or as said statute is later amended. The District will attempt to equitably distribute the opportunity among the contractors on the appropriate roster by not favoring certain contractors over other contractors who perform similar services. Immediately after an award is made, the bid quotations obtained shall be noted in writing, open to public inspection, and available by telephone inquiry.~~

~~5.1. **Determining Lowest Responsible Bidder.** The District shall award the contract for the public works project to the lowest responsible bidder who meets applicable responsibility criteria, however, the District reserves the right to reject all proposals and re-solicit the call for~~

proposals, to waive informalities or irregularities in a proposal or in the proposal process, or to accept the proposal that is in the best interest of the District. This section shall also apply to use of the limited public works roster under Section g herein.

~~6.1. Award and Compliance. All bids and quotations shall be collected and presented at the same time to the District for consideration and determination of the lowest responsible bidder and award of the job. In general, all contractors must comply with the following:~~

- ~~1. Prevailing wages must be paid and documented in compliance with RCW 39.12.~~
- ~~2.1. A Performance Bond shall be executed in compliance with RCW 39.08 prior to beginning work.~~
- ~~3.1. The contractor must hold a current Washington State Contractor's License.~~
- ~~4.1. The contractor must provide a certificate of insurance naming District as additional insured.
 - ~~a. General Liability \$1,000,000 per occurrence, \$2,000,000 aggregate, automobile liability.~~
 - ~~b. a. \$1,000,000 Worker's Compensation and Employer's Liability insurance in the amount required by law and paid to date.~~~~
- ~~5.1. Contractor must have a satisfactory record of performance.~~
- ~~6.1. Contractor must meet any mandatory bidder responsibility criteria established by RCW 39.05.155 or elsewhere in state law, and any supplementary bidder responsibility criteria established by the District.~~

~~7.1. Alternative Limited Small Works Roster Process for Small Public Works Projects~~

- ~~1. In lieu of awarding contracts under Sections a through f herein, the District may award a contract for public work estimated to cost less than thirty-five thousand dollars (\$35,000.00), or such other amount as is authorized by future amendment of state statute (RCW 39.04.155), using the limited public works process provided under this section. Public works projects awarded under this section are exempt from the requirements of the small works roster process provided under Section d herein, and are further exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010.~~
- ~~2.1. For limited public works projects, the District shall solicit electronic or written quotations from a minimum of three (3) contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder. After an award is made, the quotations shall be open to public inspection and available by telephonic or electronic request. The District shall attempt to distribute opportunities for limited public works projects equitably among contractors willing to perform in the geographic area of work. The District shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four (24) months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded. For limited public works projects, the District may in its discretion waive the payment and performance bond requirements of Chapter 39.08 RCW and the retainage requirements of Chapter 50.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes imposed under~~

~~Title 82 RCW that may be due from the contractor for the limited public works project, however the District shall have the right of recovery against the contractor for any payments made on the contractor's behalf.~~

~~8.1. Process of Award—The General Manager or his designee shall present all telephone quotations/bids and recommendation for award of the contract to the lowest responsible bidder to the Board of Commissioners. However, for public works projects in the amount of \$20,000.00 or less, the District General Manager or Assistant General Manager shall have authority to award public works contracts provided that the funds for the contract are included in the then current budget. The Board of Commissioners shall award all public works contracts over \$20,000.00. [Resolution No. 833]~~

~~**2.17.7—Public Works in Excess of Qualifying Amount Established by Small Works Roster**~~

~~All public work estimated to cost in excess of the small works roster maximum of \$300,000.00, or such different maximum amount as may be authorized by future legislative amendment, shall be subject to any competitive bidding procedures required by applicable state law. The District reserves the right to award public work estimated to cost less than the small works roster maximum of \$300,000.00, or such different maximum amount as may be authorized by future legislative amendment, by following competitive bidding procedures required by applicable state law for larger public works projects. [Resolution No. 833]~~

2.16.6 Professional Services Contracts

2.16.6.1 Establishing a Professional Services Roster

Per RCW 39.80.040, the District shall encourage architectural and engineering firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data. The District shall meet the requirements of RCW 39.80.040 through contract with the Municipal Research Services Center, which will provide District access to the MRSC Rosters program (www.mrscrosters.org) professional services roster.

2.16.6.2 Services less than \$50,000.00

For professional services in which the comprehensive cost of services is estimated to be below \$50,000.00, the District shall provide a scope of work to one (1) or more consultants or persons listed on the current MRSC professional services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications (SOQ) by a specific date. Following the pre-defined deadline for SOQ submittal, the District shall evaluate each of the SOQs received by the deadline and create a short-list of preferred consultants to conduct interviews or directly select a consultant in which to initiate contract negotiations. If the District chooses to perform interviews of short-listed consultants, the District shall select a consultant following interviews with which to initiate contract negotiations.

2.16.6.3 Services between \$50,000.00 and \$200,000.00

For professional services in which the comprehensive cost of services is estimated to be between \$50,000.00 and \$200,000.00, the District shall provide a scope of work to a minimum of three (3) consultants or persons listed on the current MRSC professional services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications (SOQ) by a specific date. Following the pre-defined deadline for SOQ submittal, the District shall evaluate each of the SOQs received and create a short-list of a minimum of three (3) preferred consultants to interview; if

less than three (3) SOQs are received, the short-list shall be comprised of all consultants that submitted an SOQ. Following completion of all interviews, the District shall select a consultant with which to initiate contract negotiations.

2.16.6.4 Services greater than \$200,000.00

For professional services in which the comprehensive cost of services is estimated to be greater than \$200,000.00, the District shall secure the services through a structured public advertisement process; the MRSC professional services roster shall not be used. The District shall place an advertisement in the Bellingham Herald, at a minimum, that describes the required services, directs potential responders to where a comprehensive request for qualifications may be obtained, and identifies the response deadline. Following the pre-defined deadline for statement of qualification (SOQ) submittal, the District shall evaluate each of the SOQs received and create a short-list of a minimum of three (3) preferred consultants to interview. Following completion of all interviews, the District shall select a consultant with which to initiate contract negotiations.

2.16.7 Personal Services Contracts

2.16.7.1 Establishing a Personal Services Roster

The District shall establish a personal services roster through contract with the Municipal Research Services Center, which will provide District access to the MRSC Rosters program (www.mrscrosters.org) personal services roster.

2.16.7.2 Services less than \$5,000.00

For personal services in which the comprehensive cost of services is estimated to be below \$5,000.00, the District shall provide a scope of work to one (1) or more consultants or persons listed on the current MRSC personal services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received by the deadline and negotiate a contract with the lowest responsible, responsive bidder.

2.16.7.3 Services between \$5,000.00 and \$50,000.00

For personal services in which the comprehensive cost of services is estimated to be between \$5,000.00 and \$50,000.00, the District shall provide a scope of work to a minimum of three (3) consultants or persons listed on the current MRSC personal services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.16.7.4 Services greater than \$50,000.00

For personal services in which the comprehensive cost of services is estimated to be greater than \$50,000.00, the District shall secure the services through a structured public advertisement process. The District shall place an advertisement in the Bellingham Herald that describes the required services, directs potential responders to where a comprehensive request for proposals (RFP) may be obtained,

and identifies the response deadline. Proposals shall consist of, as a minimum, a statement of qualifications, schedule, and prices. Following the pre-defined deadline for proposal submittal, the District shall conduct a public bid opening and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.16.8 Purchased Services Contracts

2.16.8.1 Services less than \$5,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be below \$5,000.00, the District shall provide via oral or written communication a scope of work to one (1) or more vendors or persons capable of providing the anticipated services and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received by the deadline and negotiate a contract with the bidder found in the District's opinion to have the experience and knowledge to provide the highest-quality product at the lowest price.

2.16.8.2 Services between \$5,000.00 and \$50,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be between \$5,000.00 and \$50,000.00, the District shall provide a written scope of work to a minimum of three (3) vendors or persons capable of providing the anticipated services and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.16.8.3 Services greater than \$50,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be greater than \$50,000.00, the District shall secure the services through a structured public advertisement process. The District shall place an advertisement in the Bellingham Herald that describes the required services, directs potential responders to where a comprehensive request for proposals (RFP) may be obtained, and identifies the response deadline. Proposals shall consist of, as a minimum, a statement of qualifications, schedule, and prices. Following the pre-defined deadline for proposal submittal, the District conduct a public bid opening and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost.

2.178 Other Purchase Procedures

[No change to text]

2.189 Reserve Policy

[No change to text]

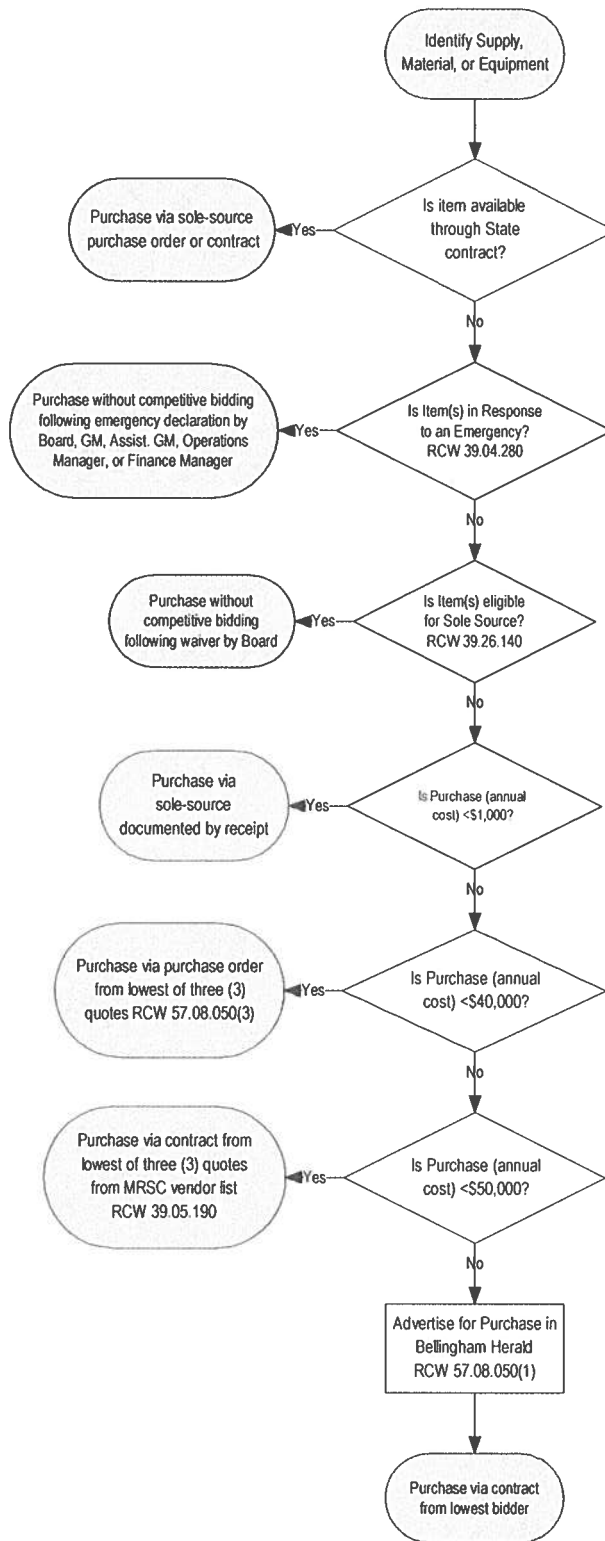
2.1920 Debt Management Policy

[No change to text]

2|~~201~~ Identity Theft Program
[No change to text]

2|~~212~~ Anti-Fraud Policy
[No change to text]

Supplies, Materials, and Equipment Purchasing Process Lake Whatcom Water and Sewer District

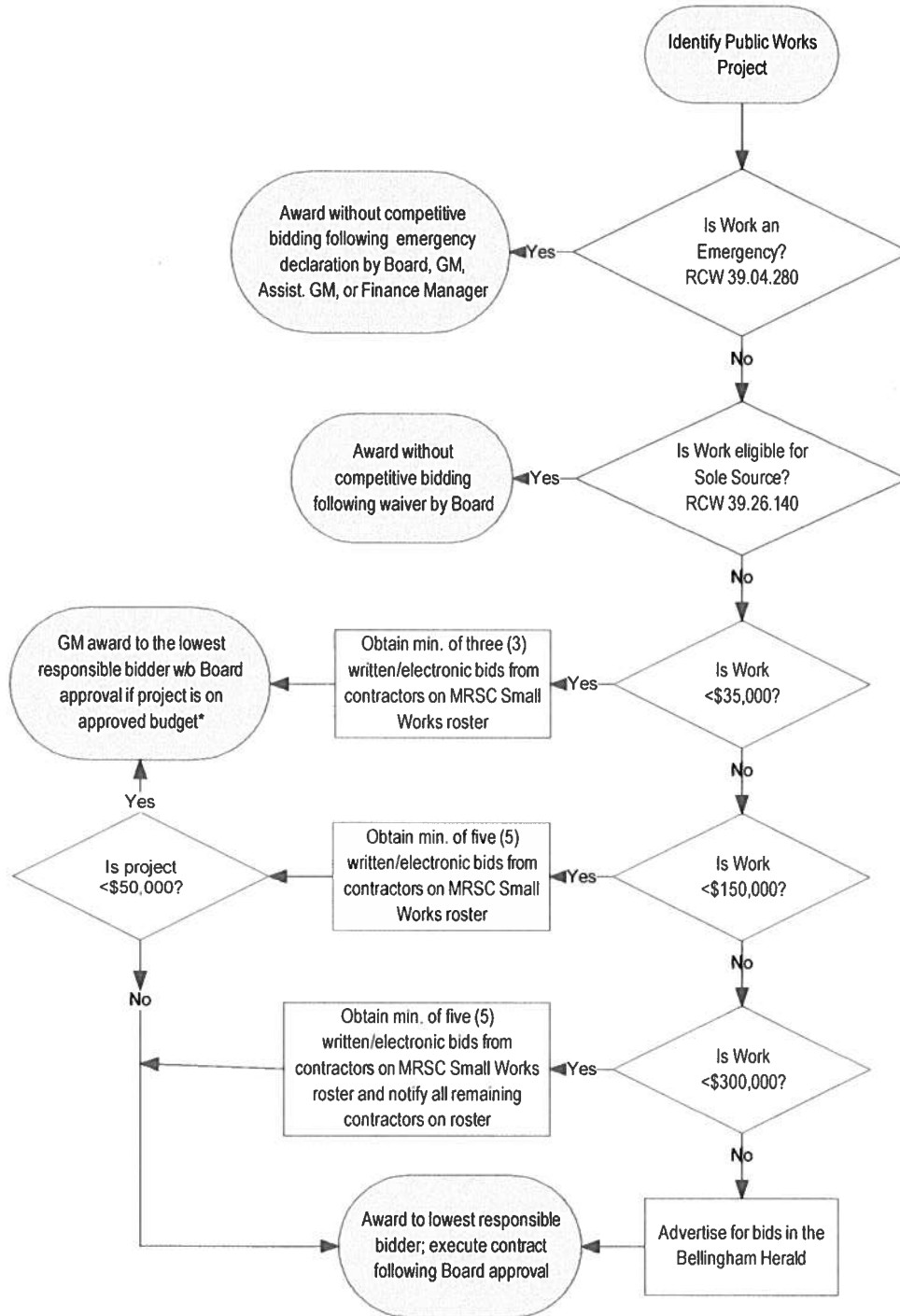


Purchasing refers to the buying of goods, equipment, materials, and supplies, as long as that purchase is not made in connections with a public works project. If the purchase is made in connection with a public works project, it must follow public works bidding requirements.

District retains the right to implement a more stringent purchase option than prescribed above if, in the opinion of District staff, it is to the District's benefit to follow a more stringent purchasing option.

Revised February 2019

Public Works Contracts Purchasing Process Lake Whatcom Water and Sewer District

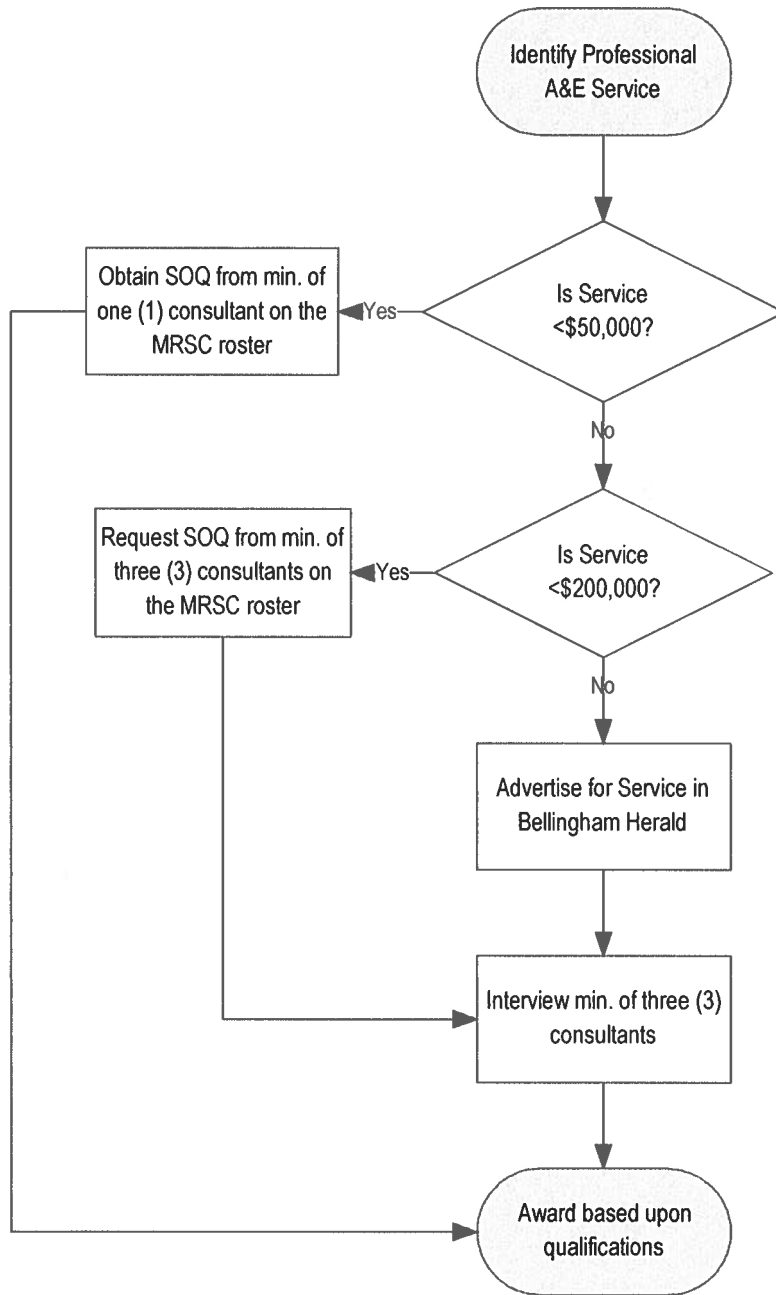


Public Works are all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District, or which is, by law, a lien or charge on any property therein. All public works, including maintenance when performed by contract, shall comply with chapter 39.12 RCW.

District retains the right to implement a more stringent purchase option than prescribed above if, in the opinion of District staff, it is to the District's benefit to follow a more stringent purchasing option.

*For contracts <\$35,000, District may waive performance/payment bonding requirements (RCW 39.08.010).

Professional A&E Services Purchasing Process Lake Whatcom Water and Sewer District



Professional architecture and engineering (A&E) services are services provided by any person, other than an employee of the District, that fall under the general statutory definitions:

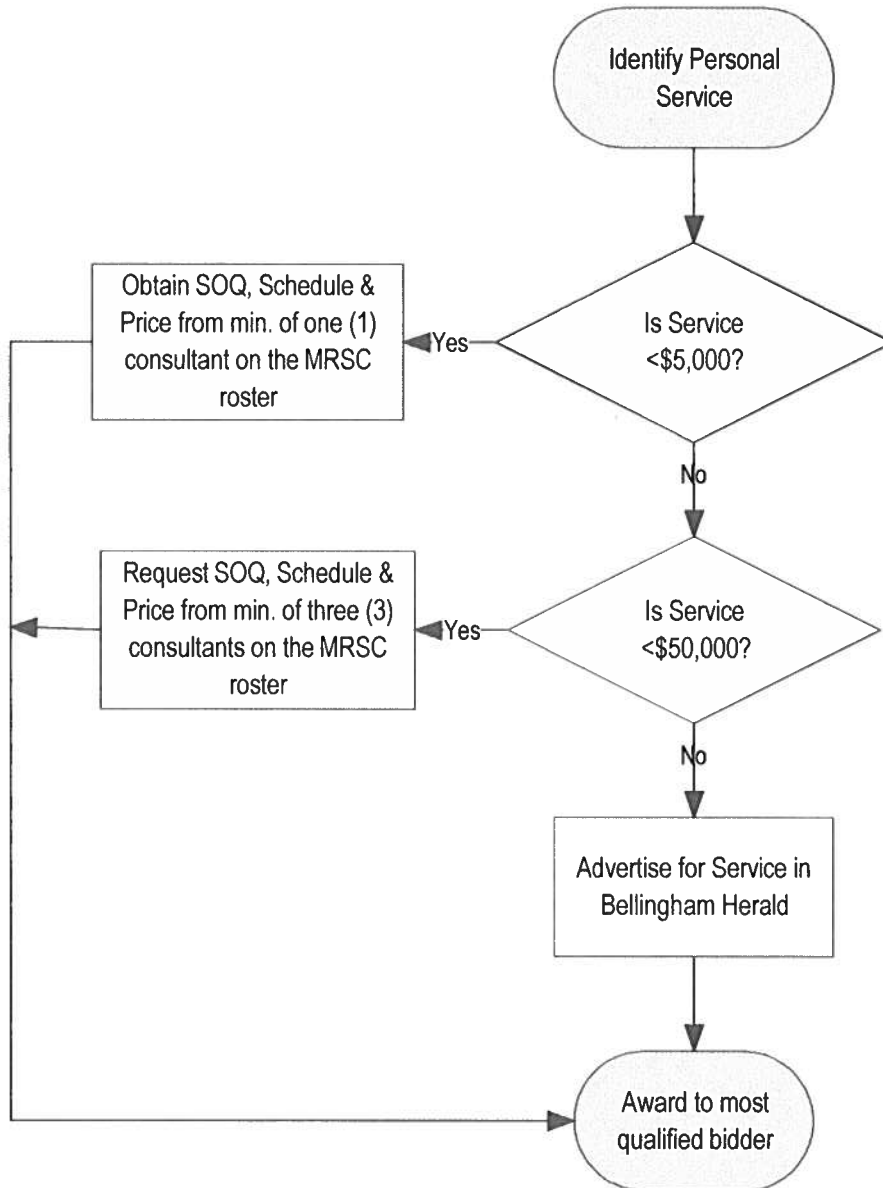
- Architecture (chapter 18.08 RCW)
- Engineering (chapter 18.43 RCW)
- Land surveying (chapter 18.43 RCW)
- Landscape architecture (chapter 18.96 RCW)

State licenses and certifications may be required in these professions, and A&E projects may be performed in conjunction with Public Works projects.

District retains the right to implement a more stringent purchase option than prescribed above if, in the opinion of District staff, it is to the District's benefit to follow a more stringent purchasing option.

Revised February 2019

Personal Services Purchasing Process Lake Whatcom Water and Sewer District

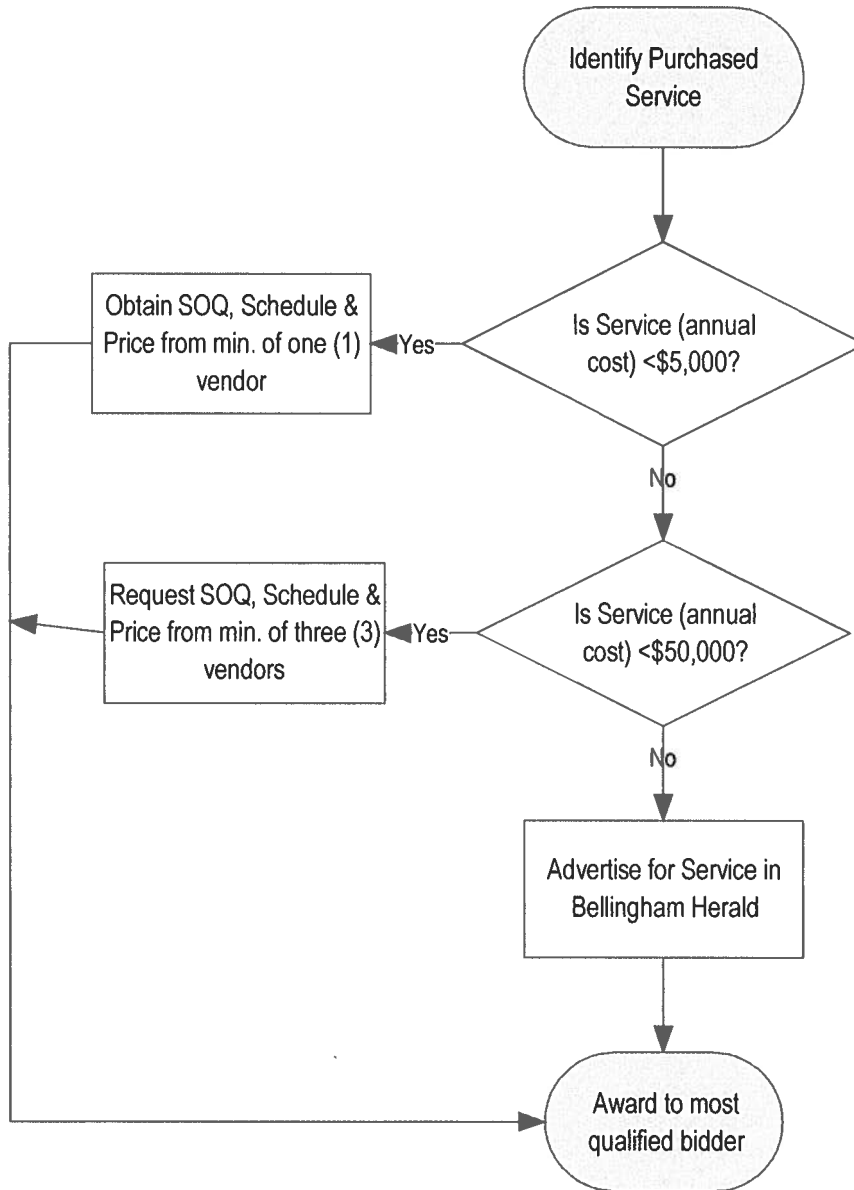


Personal services involve technical expertise provided by a consultant to accomplish a specific study, project, task, or other work. These activities and products are mostly intellectual in nature, and they do not include architecture and engineering services, which have their own requirements.

District retains the right to implement a more stringent purchase option than prescribed above if, in the opinion of District staff, it is to the District's benefit to follow a more stringent purchasing option.

Revised February 2019

Purchased Services Purchasing Process Lake Whatcom Water and Sewer District



Purchased services are those provided by a vendor for routine, necessary, and continuing functions of the District, mostly relating to physical activities. These services are usually routine, repetitive, or mechanical in nature, support the District's day-to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making.

District retains the right to implement a more stringent purchase option than prescribed above if, in the opinion of District staff, it is to the District's benefit to follow a more stringent purchasing option.

Revised February 2019



**AGENDA
BILL
Item 7.A.**

General Manager's Report

DATE SUBMITTED:	March 6, 2019	MEETING DATE:	March 13, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. General Manager's Report	
		2.	
		3.	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information from the General Manager in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



LAKE WHATCOM WATER AND SEWER DISTRICT
General Manager's Report
Upcoming Dates & Announcements
 Regular Meeting – Wednesday, March 13, 2019 – 6:30 p.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Mar 27, 2019	8:00 a.m.	Board Room
Employee Staff Meeting	Thu Mar 14, 2019	8:00 a.m.	Board Room Commissioner Citron to Attend
Investment Comm Meeting	Wed Apr 10, 2019	6:00 p.m.	Small Conference Room
Safety Committee Meeting	Mon Mar 11, 2019	8:00 a.m.	Small Conference Room
Lake Whatcom Management Program			
Data Group Meeting	Thu Mar 14, 2019	9:00 a.m.	City of Bellingham PW Offices 2221 Pacific Street
Policy Group Meeting	Mon Jun 24, 2019	3:00 p.m.	City of Bellingham's Fireplace Room 625 Halleck Street <i>Enter through the Halleck St entrance</i>
Joint Councils Meeting	Wed Mar 27, 2019	6:30 p.m.	Bellingham City Council Chambers 210 Lottie Street
Other Meetings			
WASWD Section III Meeting	Tue Apr 9, 2019	6:15 p.m.	Bob's Burgers, 8822 Quil Ceda Pkwy, Tulalip, WA
Water Utility Coordinating Committee	To be determined	TBD	Whatcom County Health Offices 509 Girard Street
Whatcom Water Districts Caucus Meeting	Wed Mar 20, 2019	1:00 p.m.	Board Room
Lake Whatcom Stormwater Utility Advisory Com Meeting	Wed Mar 20, 2019	5:00 p.m.	Bloedel Donovan Park Beach Pavilion 2214 Electric Avenue
Whatcom County Council of Governments Board Meeting	Wed May 8, 2019	3:00 p.m.	Council of Governments Offices 314 E Champion Street

Committee Meeting Reports

Safety Committee:

- Training for Trenching & Shoring and Fall Protection scheduled for February 12 was cancelled due to adverse weather, in the process of being rescheduled
- Training for Rigging & Signal Person and Confined Space/Rescue scheduled for March 12
- Annual employee-specific on-line safety training underway; each employee required to complete training by May 31

Investment Committee:

- No meetings held since last Board meeting

Upcoming Important Agenda Topics and Meetings

- Agate Heights water treatment plant upgrade presentation in March
- Cross Connection Control Program revision anticipated in April

2019 Initiatives Status

Administration and Organizational Document Review/Revision

Personnel Policies Manual

- Workplace Violence Policy Update
Approved by the Board during February 27 meeting.
- Drug Testing Policy Update
Approved by the Board during February 27 meeting.
- Paid Family & Medical Leave Act Policy Addition
Approved by the Board during February 27 meeting.
- Other revisions as identified/needed

Administrative Code

- Board Meeting Dates/Times
Addition to administrative code adopted by the Board during January 30 meeting (Resolution No. 854).
- Purchasing Policy
Revisions/clarifications to administrative code scheduled for Board consideration during March 13 meeting.
- Other revisions as identified/needed

Commissioner Protocol Manual

- Work session to review/revise
Scheduled for Board consideration during March 13 meeting.

Health & Safety Program

- Review program
Ongoing. Safety Committee is currently reviewing the Respirator and Confined Space SOPs.

File Management System

- Electronic file management structure revision
File management structure has been revised; migration of documents to the new structure is nearing completion.
- Digitize applicable hard copies and file in DocuWare
To be initiated. Anticipate completion by September 30.

Community/Public Relations Enhancement

Website

- Reconfigured the layout of the *About* dropdown menu to make more user friendly.
- Developing content for the *Board of Commissioners* page (commissioner bios).

Intergovernmental Relations

- J. Clary initiated a conversation with city of Bellingham Public Works staff regarding development of a countywide and possibly regional mutual aid agreement for sharing of public works equipment and personnel. J. Clary has also recommended the city join the Washington

State Water/Wastewater Agency Response Network (WAWARN), which is a mutual aid agreement providing assistance during emergency events; City staff are considering.

- J. Clary scheduled to attend Bellingham Public School Foundation Hungry Minds Luncheon on March 13.

Social Media Program

- Develop/implement social media program
Program implemented February 14.
- Create/manage District LinkedIn account
LinkedIn account is live (www.linkedin.com/company/lake-whatcom-water-and-sewer-district).
- Create/manage District Facebook account
Facebook account is live (INSERT LINK).
- Create/manage District NextDoor account
Working with NextDoor to create an agency account; NextDoor is currently limiting to emergency response agencies.

Press Releases

- District staff recognition press release issued on January 14.

50-Year Anniversary

- Press release/logo
Release issued November 21, 2018; logo developed November 20, 2018.
- Banner
Installed January 10.
- Commissioner/employee jackets with 50th anniversary logo
Jackets will be distributed to staff during March 14 staff meeting.
- Celebration
Completed during the annual employee banquet on January 11.

Fact Sheets

- Develop District fact sheets
To be initiated; complete second quarter 2019.

Lake Whatcom Water Quality

Management Program

- Attend organized meetings; initiate additional meetings/discussions outside of program
J. Clary in ongoing communication with city of Bellingham and Whatcom County staff regarding development of an interlocal agreement between the District, city of Bellingham, and Whatcom County specific to assessment of septic impacts along the north shore of Lake Whatcom.

Onsite Septic System Impact Assessment

- North shore monitoring
See discussion above regarding development of an interlocal agreement for assessment of septic impacts along the north shore of Lake Whatcom.

Onsite Septic System Conversion Program

- Identify applicable lots
Staff have identified lots to pursue connection to District collection system.

- Implement conversion notification process
Notice of requirement to connect to District sewer system sent to three property owners on February 21.
- Complete conversion
To be initiated; complete by December 31.

Watershed Stormwater Utility

- Participate in utility development process
J. Clary attended February 20 meeting of the stormwater utility advisory committee.

Board Technology Upgrades

Board-issued Tablets

- Identify/implement appropriate systems to board
Staff received a proposal from our IT provider for tablet configuration; anticipate issuance of tablets first quarter 2019.

Electronic Board Packets

- Implement electronic-only packet production process
Implement following issuance of tablets to Board.

Asset Management

Asset Location

- GPS District infrastructure in Sudden Valley
Scheduled for summer 2019; complete by October 31.

Preventative Maintenance

- Develop/refine automatic work order notification process in Cartegraph
Purchase order for Cartegraph modules issued; implementation anticipated by April 30.

O&M Workload Capacity Analysis

- Implement process in Cartegraph for tracking resource use
Engineering and operations staff have begun tracking resources specific to utilities.
- Analyze resource allocation data
To be conducted as data becomes available.

New Development Process Refinement

- Revise/implement new development permit/inspection/approval process
Initial meeting with Sudden Valley Community Association staff held in 2018; staff are reviewing District development review process and how it integrates with Whatcom County and Sudden Valley Community Association processes. Staff are also working with Sudden Valley Community Association regarding participation in a contractor informational meeting to be held on April 5.