

CITY OF GRANITE FALLS, WASHINGTON

RESOLUTION 2021-03

A RESOLUTION OF THE CITY OF GRANITE FALLS ESTABLISHING PROCEDURES RELATING TO PURCHASING MATERIALS, SUPPLIES AND EQUIPMENT.

WHEREAS RCW 35A.40.210 and RCW 35.23.352(6) require code cities such as Granite Falls to advertise and seek formal sealed bids for purchases of materials, supplies, or equipment, where the cost exceeds \$7,500, but do not require bidding for services, with the exceptions of securing an official newspaper and obtaining architectural and engineering services; and

WHEREAS RCW 35.23.352(9) and RCW 39.04.190 allow advertisement and formal sealed bids to be dispensed with as to purchases with an estimated value of \$15,000 or less, provided that the City Council has authorized by resolution the use of a vendor list process, as set forth in Section 5 below; and

WHEREAS there are exceptions to the above-referenced purchasing requirements that apply to emergency purchases, intergovernmental purchases, sole source purchases, and purchases from or through the federal government, as set forth in Sections 7-10 below; and

WHEREAS, the City Council has previously adopted Resolution 2008-04, which establishes a small works roster process for certain public works contracts, and which establishes a consulting services roster for architectural and engineering services; and

WHEREAS, the City Council has previously adopted Resolution 2012-05, which establishes procedures relating to purchasing materials, supplies, and equipment; and

WHEREAS the City Council, City Manager, and staff have determined that it is in the City's best interest to adopt by resolution an amended comprehensive policy for purchasing materials, supplies, and equipment, which is consistent with the above-referenced purchasing requirements and exceptions and which designates who is responsible for implementing said requirements;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRANITE FALLS, WASHINGTON, does hereby resolve as follows:

Section 1. Purpose.

This policy is established to reduce costs, increase efficiencies, ensure compliance with policies, laws, and regulations, and set/improve internal controls.

Section 2. Scope.

This policy applies to all purchases by the City of materials, supplies, and equipment, which are not connected to a public works project.

Section 3. Responsibilities.

1. The City's Department Heads have general responsibility for the procurement of all goods for their respective departments.
2. All purchase orders will be reviewed and approved by the Department Heads for their respective departments' purchases of less than \$7,500.00, subject to the City Council's subsequent approval on the voucher list. Staff will identify such purchases in their staff report to the City Council. All other purchases must receive prior approval from the City Council.
3. The Department Heads are responsible for making the final determination of a source of supply, quantities purchased, and delivery schedule, except when the City Manager so authorizes others.
4. Purchasing decisions will be made in compliance with the City's annual budget and all applicable procedures, policies, laws, and regulations.
5. The Department Heads are responsible for initiating and maintaining effective and professional relationships with suppliers, actual and potential.
6. The Department Heads will seek to obtain and purchase all goods from the lowest responsible bidder as set forth in Sections 5 and 6 below, or, in non-bidding situations, from the vendor who provides the lowest cost to the City considering timeliness and opportunity costs as set forth in this Section and Section 4 below.
7. The City Treasurer will notify requisitioning departments whenever the quantity or specifications of materials ordered are inconsistent with sound purchasing practices and direct alternative solutions and products for future requisitions.
8. The Department Heads will coordinate the purchase of standard products used by multiple departments to enable the City to take advantage of quantity discounts.
9. The City Clerk will coordinate all formal bids, with assistance from the requisitioning department, which will prepare the technical specifications.
10. The Department Heads are responsible for verifying all shipments received for accuracy to the packing/shipping lists and ensuring they are received in good condition. All shipments will be shipped to the department that requisitioned the goods unless this is not feasible

due to size, weight, hazardous materials, or other factors. If a shipment is received at a different location, the employee who receives it will be responsible for verifying its contents and condition.

11. It is the department's responsibility that requisitioned the goods to verify that they are correct and to coordinate, give notice as required by law and negotiate the return of any rejected material, equipment, or supplies to suppliers.
12. Compliance with the budget is the responsibility of the Department Head of the requisitioning department. The City Council must approve all capital purchases for which necessary funds are not appropriated in the City's annual budget.

Section 4. Purchases \$7,500 or Less.

For purchases of materials, supplies, or equipment of \$7,500 or less, the City is not required to use informal or formal sealed bidding procedures. The City will attempt to obtain the lowest reasonable price for such goods, as set forth in Section 3 above.

Section 5. Purchases between \$7,500 and \$15,000.

Purchases between \$7,500 and \$15,000 will be processed as follows:

1. Publication of Notice. At least twice a year, the City shall publish, in the City's official newspaper, a notice of the existence of a roster(s) of vendors for materials, supplies, and telephone quotations from vendors for the purchase of materials, supplies, or equipment, and shall solicit names of vendors for the roster. Nothing shall prevent the City from using other purchasing resources, contracts and rosters, as allowed by Council resolution.
2. Telephone Quotations. The City shall use the following process to obtain telephone quotations from vendors for the purchase of materials, supplies or equipment:
 - a. A written description shall be drafted of the specific materials, supplies, or equipment to be purchased, including the number, quantity, and type desired, the proposed delivery date, and any other significant terms of purchase;
 - b. The designated City representative shall make a good faith effort to contact at least three (3) of the vendors on the roster to obtain telephone solicitation quotations from the vendors for the required materials, supplies, or equipment;
 - c. The designated City representative shall not share telephone quotation from one vendor with other vendors solicited for the bid on the materials, supplies, or equipment;

- d. A written record shall be made by the designated City representative of each vendor's bid on the material, supplies, or equipment and of any conditions imposed on the bid by such vendor;
3. Determining the Lowest Responsible Bidder. The City shall purchase the materials, supplies, or equipment from the lowest responsible bidder, provided that whenever there is reason to believe that the lowest acceptable bid is not the best price obtainable, all bids must be rejected, and the City may call for new bids. The City, in determining the lowest responsible bidder, may take the following factors, in addition to price, into account:
 - a. Any preferences provided by law to Washington products and vendors;
 - b. The quality of the materials, supplies, and equipment to the City's specifications;
 - c. The conformity of the materials, supplies, and equipment to the City's specifications;
 - d. The purpose for which the materials, supplies, or equipment are required;
 - e. The times for delivery of the materials, supplies, or equipment;
 - f. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
 - g. Such other information may have a bearing on the decision to purchase the materials, supplies, or equipment.
4. Award. The City Council shall review quotations and recommendations by City staff and award the contract to the lowest responsible bidder. Such action may be placed on the consent agenda. A written record of each vendor's quotations shall be made open to public inspection or telephone inquiry after the contract award. Any contract awarded under this subsection need not be advertised.
5. Posting. A list of all contracts awarded under these procedures shall be posted at the City's main administrative offices once every two months. The list shall contain the name of the vendor awarded to the contract, the contract amount, a brief description of the items purchased, and the date it was awarded.

Section 6. Purchases over \$15,000.

For purchases over \$15,000, the following formal competitive bidding process is required:

1. At least one notice of the call for bids will be published in the City's official newspaper at a minimum of thirteen (13) days prior to bid opening. Other methods may be used to attract potential bidders in addition to, but not in place of, publication in the City official newspaper. For example, notices may be placed on the City's Internet website or advertised in trade papers or magazines.

2. Sealed bids will be submitted to the City Clerk at the location specified in the invitation or call for bids. At the appointed time, all bids will be opened and read aloud in the bidders' presence or their representatives. Bid openings are usually scheduled for 2:00 p.m., Tuesdays.

3. The Department Head of the respective department shall review the bids and recommend to the City Council to award the bid to the lowest responsible bidder, per the criteria for determining the lowest responsible bidder set forth in Section 5 above. The City Council's decision to award the bid or reject any or all bids shall be final.

Section 7. Intergovernmental Purchases.

1. Pursuant to Chapter 39.34 RCW, the City, may join with the state or political subdivisions of the State of Washington for the purchase of material, equipment, or supplies, by entering into a written Intergovernmental Cooperative Purchasing Agreement that requires compliance with the state's or the political subdivision's applicable procurement law. In addition, the City may make a bid call with another government entity as a joint purchase complying with the bid requirements of the participating jurisdictions. Such purchases may be made without advertising in the City's official newspaper.

2. When practical, the City may include language in its solicitations that allows other public agencies to purchase from Granite Falls bids or quotations, provided that the other agencies allow similar rights and reciprocal privileges to the City of Granite Falls.

Section 8. Sole Source Purchases.

1. RCW 39.04.280(1)(a) authorizes purchasing without bids from a sole source. To engage in sole source bidding under this statute, the City Council must pass a resolution, which states that the purchase is clearly and legitimately limited to a single source or supply.

2. RCW 39.04.280(1)(b) also provides a "special market conditions" waiver from the bidding requirements for purchases of materials, supplies, or equipment. To use this exemption, the City must pass a resolution stating the factual basis for the exception.

Section 9. Purchases from or through the Federal Government.

RCW 39.32.070-090 authorizes the City to purchase from or through the federal government without advertising, giving notice or inviting bids, provided that an authorizing ordinance or resolution is passed before any purchase is made.

Section 10. Emergency Purchases.

1. RCW 39.04.280(1)(c) authorizes the City to waive competitive bidding requirements for purchases in the event of an emergency. In such a situation, the City Manager may declare that an emergency exists, waive competitive bidding requirements, and award all necessary contracts on behalf of the City to address the emergency. If the City Manager has not been designated to act in the event of an emergency, the City Council, by resolution or motion, may declare that an emergency exists, waive the bidding requirements, and award the contract. If a contract is awarded without competitive bidding due to an emergency, written findings of the existence of an emergency must be made by the City Manager or City Council and filed with the City Clerk no later than two weeks following the contract's award.

2. RCW 38.52.070(2) authorizes political subdivisions in which major disasters occur (as defined in RCW 38.52.020 and RCW 35.52.010(6) of the Washington Emergency Management Act) to forego statutory competitive bidding requirements.

Section 11. Effective Date. This resolution shall take effect immediately upon passage by the City of Granite Falls City Council.

PASSED by the City Council of the City of City of Granite Falls this 17th day of March 2021.



Matthew Hartman, Mayor

ATTEST:



Darla Reese, MMC, City Clerk

APPROVED AS TO FORM:



Thomas H. Graafstra, City Attorney
Emily Guildner, City Attorney