

Agenda

CITY OF GOLD BAR COUNCIL MEETING

Tuesday, April 7, 2026

7:00 PM
CITY HALL

CALL TO ORDER, FLAG SALUTE, ROLL CALL

AGENDA APPROVAL

MAYOR'S REPORT, STAFF REPORTS, COUNCIL COMMENTS

CITIZEN COMMENTS (SIGN-IN REQUIRED, LIMITED TO 3 MINUTES)

CONTINUED BUSINESS - none

1. SHORT TERM RENTAL, DEFINING SCOPE - DISCUSSION

NEW BUSINESS

1. RESOLUTION #26-05 AMENDING PROCUREMENT POLICY – DISCUSSION

2. SKATEPARK AGREEMENT – DISCUSSION AND ACTION

3. DUNFORD ENGAGEMENT AGREEMENT – DISCUSSION AND ACTION

FINAL COUNCIL COMMENTS

MINUTES APPROVAL

March 17, 2026

VOUCHER APPROVAL

CHECKS

39081 - 39128

CLAIMS

\$17,689.64

PAYROLL & TAXES

\$59,447.47

TOTAL

\$77,137.11

ADJOURNMENT

**CITY OF GOLD BAR, WASHINGTON
RESOLUTION NO. 26-04**

**A RESOLUTION OF THE CITY OF GOLD BAR, WASHINGTON AMENDING THE PURCHASE,
PROCUREMENT, AND SALE POLICY**

WHEREAS, the audit of funding years 2023 and 2024 conducted by the Washington State Auditor’s Office included a review of the City of Gold Bar’s Purchase and Procurement Policy as created in Resolution No. 17-11 and subsequently updated in later resolutions; and

WHEREAS, an updated and current purchase, procurement, and sale policy that reflects city processes is necessary for the purchase and disposition of goods, services, equipment, supplies, and property;

NOW THEREFORE BE IT RESOLVED by the governing body of the City of Gold Bar that the purchase and procurement policy created by Resolution 17-11 be replaced in its entirety with the following City of Gold Bar Purchase, Procurement, and Sale Policy.

- Section I Repeal**
- Section II Adopt**
- Section III Revisions**
- Section IV Severability**
- Section V Effective Date**

Section I, Repeal

Previous Purchase and Procurement resolutions and policy revisions are hereby repealed in their entirety and replaced with Resolution 26-04 and its associated attachment.

Section II, Adopt

The City of Gold Bar Purchase, Procurement, and Sale Policy, as attached, is hereby adopted and incorporated herein by this reference as though fully set forth herein.

Section III, Revisions

The Public Works Director and/or Clerk/Treasurer are hereby authorized to make minor, non-substantive, and/or procedural changes that do not materially change purchasing rules, contract rules, or procedures within the Policy, such as formatting edits, without further approval of the Council. This authorization does not include changes that modify contract approval authority, or that limit, modify, or amend, any other process or procedure which currently requires the City Council’s approval.

Section II, Severability

This resolution is severable and if any portion of it shall be declared invalid or unconstitutional, the remaining portion shall remain valid and enforceable.

Section III, Effective Date

This Resolution shall take effect from, and after, its passage and approval, as provided by law.

Resolved this _____ day of _____, 2026.

APPROVED:

ATTEST/AUTHENTICATED:

Steve Yarbrough, Mayor

Lisa Stowe, Clerk/Treasurer

City of Gold Bar

EST. 1910

107 – 5th Street, Gold Bar, WA 98251



Purchase, Procurement, and Sale Policy

(as adopted through Resolution 26-04)

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I. Overview General

A. Purpose

The purpose of this policy is to implement the requirements of state law regarding procurement and bidding on public contracts for public works, goods, services, supplies, and materials. It is the City of Gold Bar's policy to follow ~~state requirements~~ all applicable laws regarding the expenditure of public funds, to provide an open, fair, documented, and competitive process forum for those interested in bidding on public contracts, and to help ensure that public contracts are performed satisfactorily and efficiently, at least cost to the public. ~~to be used whenever reasonable and possible.~~ The purchasing function's integrity, efficiency, and effectiveness are critical elements of sound government.

All contracts entered into after September 1st, 1983 are subject to the requirements established under the Revised Code of Washington (RCW) chapter 39.19 establishing the Office of Minority and Women's Business Enterprises.

All contracts entered into after January 1st, 2024, are subject to the non-discrimination requirements established under RCW 49.60.530.

B. Objectives

The objectives of the City's policy are as follows:

1. To provide a uniform system to obtain supplies, materials, equipment, and services in an efficient and timely manner;
2. To facilitate responsibility and accountability with the use of City resources;
3. To ensure equal opportunity and competition among suppliers and contractors;
4. To promote effective and clear communication between the City and its suppliers and contractors;
5. To comply with the comprehensive State procurement statues which govern expenditures of public funds; and
6. To promote use of recycled materials and products and dispose of surplus and scrap materials with regards to cost savings and the environment.

C. Scope

This policy applies to purchases of public works projects, professional services, non-professional services, and supplies, materials, and equipment.

This policy does not apply to the acquisition, sale, or lease of real property.

If grant funding is involved in the proposed purchase, applicable requirements should be obtained from the funding agency. Such requirements may be more restrictive than the City's policy.

D. Controlling Laws

The expenditure of public funds for the purchase of, and contracting for, goods, services, supplies, and materials, shall comply with all applicable federal and state laws, regulations, grants, or requirements as set forth in the Revised Code of Washington (RCW), the Washington Administrative Code (WAC), and any applicable local and federal laws or regulations. If the appropriate and relevant federal or state laws, regulations, grants, or requirements conflict or are more restrictive than these guidelines, such laws, regulations, grants, or requirements will be followed.

In the event any bid threshold limits in the RCWs are different from the values listed within this Policy, the RCW limits shall take precedence.

The City Attorney shall be consulted when questions regarding potential conflicts arise.

E. Monitoring and Compliance

The City of Gold Bar employees shall implement, monitor, and enforce these policies. In the event of any conflict in procurement requirements or questions about proper procedures or other requirements, the matter shall be referred to the Mayor for further action. Willful or intentional violations of public procurement requirements may result in personal penalties, financial liabilities, and/or discipline. (See RCW 39.30.020)

F. Proper Authorization

Only authorized employees acting within the scope of their authority may obligate the City in the acquisition of goods or services. Any employee purchasing goods on behalf of the City without proper authorization may be personally liable to the vendor and to the City, and subject to disciplinary action.

II. Defining the Need

Before determining the procurement method and approval authority, the type of purchase must be established. The major categories of purchase include the following.

A. Public Works (RCW 39.04)

Includes all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the City.

Examples include demolition, remodeling, renovation, road construction, building construction, and utilities construction.

Ordinary maintenance is not specifically defined in RCW 39.04 but is generally considered to include work not performed by contract, and performed on a regular basis.

For the purpose of prevailing wage requirements, public works includes ordinary maintenance when performed by contract.

B. Materials, Supplies, and Equipment

Materials, supplies, and equipment are considered tangible items which are manufactured and are moveable at the time of purchase. It is important to distinguish between materials, supplies, and equipment used in public works contracts as opposed to non-public works contracts as different bidding requirements apply to each.

C. Services

Services are the labor, time, or effort of a person. Distinguishing between services and public work is important as services may have different bidding requirements. The City of Gold Bar classifies services as:

1. Professional Services. Services provided by independent consultants that require specialized knowledge, advanced education, professional licensing or certification, and where the primary service provided is mental or intellectual, involving the consistent exercise of judgment and discretion.
2. Architectural and Engineering Services. These services are to be acquired under the authority and procedures outlined in RCW 39.80.
3. General Services/Purchased Services. All other service-related work that is not considered a public work or professional service, fall into this category. Most often these types of services are routine in nature.
4. Technology Systems and Services. Any technology hardware or software system purchase, or maintenance agreement.

D. Determining the Cost

Once a need has been defined, the estimated cost of the goods and/or services will generally determine what competitive selection process the City will follow. Estimated costs for competitive bidding purposes must include:

1. All construction-related work (with the exception of engineering/architectural design fees, as ~~all such~~ those fees must be selected based on qualifications before cost is negotiated).

2. All phases of the project.
3. Any internal permitting costs of the project.
4. All applicable sales and use taxes.

Note: cost estimates should not include donated materials, labor, supplies, etc.

III. Purchasing Code of Ethics

The public must have confidence in the integrity of its government. The purpose of this Code of Ethics is to apply and give guidance to all employees so they may conduct themselves in a manner which will be compatible with the best interest of themselves and the City of Gold Bar.

To instill public confidence in the award of public contracts and the expenditure of public funds, the City of Gold Bar adopts the following code of ethics regarding public contracting.

- A. Actions of City employees shall be impartial and fair.
- B. Government decisions and policies shall be made in compliance with required procedures and within the proper channels of government structure.
- C. Public employment shall not be used for personal gain, and City employees shall not solicit, accept, or agree to accept, any gratuity for themselves, their families, or others, that would, or could, result in personal gain.

1. Reasonable Person Standard. Staff and elected officials must be aware of any perceived or actual conflicts of interest based on inappropriate opportunities to influence the solicitation and/or award process. The City uses the measure of how a reasonable person would perceive the situation. A Reasonable Person Standard considers how the situation would appear if viewed from the perspective of a taxpayer or someone not employed by the City or in an elected position.

a. No employee, officer, or agent may participate in the selection, award, or administration of a contract, if they have a real or apparent conflict of interest. This conflict of interest extends beyond the individual employee, officer, or agent, to include that individual's immediate family members, partners, and/or other employers.

b. The City Attorney shall be consulted before initiating a contract with former City employees to determine if doing so would create an actual conflict of interest or the appearance of a conflict of interest.

2. Limitations on gifts. City staff must refuse gifts, meals, and invitations to events that could be reasonably perceived as improperly influencing performance of official duties; a

reward for awarding a contract; or offered or given to influence, find favor, or with a reasonable expectation of creating an obligation to the giver. Vendors are prohibited from offering gifts during the solicitation and ensuing contract award process.

D. Purchasing decisions shall be made impartially, based upon the City's specifications for the contract and the responses of those bidding on the contract.

~~E. No employee, officer, or agent may participate in the selection, award, or administration of a contract, if he or she has a real or apparent conflict of interest. This conflict of interest extends beyond the individual employee, officer, or agent, to include that individual's immediate family members, partners, and/or other employers.~~

E. Confidentiality. Documents, decisions, information, and opinions are generally to be kept confidential, except as required to be disclosed under the Public Records Act. Staff and elected officials shall not share information with anyone not directly involved in the evaluation and selection process. Staff may contact respondents to City solicitations seeking additional information and clarification regarding submittals, as well as to negotiate a contract. However, conversations or contact with respondents regarding details of the evaluation process should otherwise be limited, and care must be taken to maintain the objectivity of the evaluation process.

F. Fair and Thorough Evaluation. The process must be fair to all respondents and must be deliberative in order to preserve the integrity of the public bid process.

1. City staff and/or elected officials invited to assist in specification development, solicitation efforts, and/or award processes, must be considerate of conflicts of interest and other public accountability rules.

2. In the event a member of the evaluation and selection process has a conflict of interest, or a perceived conflict of interest, they must immediately withdraw from the process and, if necessary, consult with the mayor or legal counsel.

IV. Prohibited Practices

A. Collusion among bidders. Agreement or collusion among bidders or prospective bidders to either buy or sell in restraint of freedom of competition, whether a fixed price or otherwise, shall render the bids void. Such bidders may be subject to possible exclusion from future bidding with the City.

B. Disclosure of formal bid contents. Disclosure in advance of opening bids of any information contained in the sealed or formal bid, made or permitted by a City officer or employee, may render each bid void by the City. Bids submitted by bidders taking advantage of any information revealed contrary to this section shall at once become null and void.

C. Gratuities. Except for normal business courtesies, or donations publicly given and accepted, the acceptance of any gift or gratuity in the form of cash, merchandise, or services of significant

value by an official or employee of the City from any vendor or contractor in return for a commitment to continue or initiate a purchasing agreement is prohibited. ~~(See also Title C(3)(2))~~

D. Employee-Owned Businesses. Generally, City goods or services shall not be obtained from businesses in which City officials, employees, or their immediate family members, have a majority ownership interest, except as allowable by RCW 42.23.030. ~~(See also Title C(3)(1)(b) relating to former employees)~~

E. Sale of materials and supplies. The City shall not use its purchasing power or lend its credit to acquire goods or services for any private party, nor shall the City sell its materials or supplies to City officials, employees, or the public except when said materials have been declared surplus.

F. Conflict of interest. An employee is shall not to participate directly or indirectly in a procurement when they are aware of, or know there is, a conflict of interest.

G. Solicitation of donations. The City will not accept donations of materials or services in return for a commitment to continue, or initiate a purchasing agreement.

~~*H. Bid splitting.* Breaking a project into phases to avoid bidding is against state law. Combine the total of foreseen identical items purchased at the same time, or similar items (or items that are used together) within a calendar years' time, in which the cost exceeds competition limits or when it is determined that volume discounts can be obtained by combining City-wide usage.~~

~~All local governments in Washington are subject to the state's *Conflicts of Interest* statute (RCW 42.23). Generally, municipal officers are prohibited from having financial interests in contracts made by, or under, the officer's supervision or for the benefit of their office. RCW 42.23.020(2) defines 'municipal officer' broadly and means any city employee acting on behalf of the City. RCW 42.23.020(3) defines 'contract' as including any contract, sale, lease, or purchase.~~

~~Violating these rules can bring serious penalties, including monetary fines, nullification of contracts, and possible forfeiture of employment. If any municipal officer or employee is confused by these rules, legal counsel shall be consulted.~~

V. Signature Authority - Contracts

Per RCW 35A.11.010, the City of Gold Bar's authority to contract, and be contracted with, is vested in the City Council. The Council, by motion, authorizes signature authority to the Mayor to execute contracts and modifications. The Mayor has ultimate signature authority for the City of Gold Bar. The Mayor may authorize a department head or supervisor to sign contracts, bids, or interlocals, for amounts less than twenty thousand dollars (\$20,000). Such designations do not supersede making the City Council aware of actions being taken, even if Council approval is not required.

A. City Council approval is required for goods or services *contracts* that:

1. Are contracts with a total aggregate value of \$45,000 or more;

2. Are cost modifications that, either singly or combined with all previous modifications, pushes the total contract amount from under, to over, the \$45,000 signature threshold;

3. Are cost modifications for contracts with an original value between \$45,000 and \$99,000 that results in a new total contract amount \$10,000 or more over the original contract amount.

4. Are cost modifications for contracts with an original value of \$100,000 or more that results in a new total contract amount 110% over the original contract amount.

Examples:

If the current value of the contract is between \$45,000 and \$99,000 and a modification results in a new total that is \$10,000 or more above the original contract, council approval is required.

If the current value of the contract is less than \$45,000 and a modification results in a new total that is more than \$45,000, council approval is required.

~~B. Federal grant reimbursements requests must be signed by the Mayor. and designees are not permitted to sign federal reimbursement requests.~~

C. Electronic Signatures. The City follows RCW 1.80, Uniform Electronic Transactions Act, which applies to any electronic record or electronic signature created, generated, sent, communicated, received, or stored on or after June 11th, 2020. A document that is required by law to be signed in non-electronic media may not be digitally or electronically signed.

VI. Grant and Federal Funding

Grants or federal funding projects often have their own procurement requirements. In the case of conflict, the most restrictive requirements shall apply.

A. Federal Awards. Purchases made, or work performed, with federal grant funds must follow the standards identified in the *Federal Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (OMB Title 2, Subtitle A, Chapter II, Part 200). See *Federal Code of Conduct* and *Federal Award Standards* sections for summary requirements. The City will also provide reasonable assurance that Federal awards are being managed in compliance with all Federal regulations and with the terms and conditions of the award. The City shall review all federal requirements in Federal CFR 200.318 - 200.326.

1. Internal Controls. The City will maintain effective internal controls over the Federal award, providing reasonable assurance that the City is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

2. The City will take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

3. The City will take reasonable measures to safeguard protected, personally identifiable information, and other information the Federal awarding agency or pass-through entity designates as sensitive.

4. Allowable Costs. Federal awards will meet the following general criteria in order to be allowable except where otherwise authorized by statute.

a. Be necessary and reasonable for the performance of the Federal award.

b. Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types of amount of cost items.

c. Be consistent with policies and procedures that apply uniformly to both Federal-financed and other activities of the City.

d. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

e. Not be included as cost or used to meet cost sharing or matching requirements of any other Federally-financed program in either the current or a prior period.

f. Be adequately documented.

5. Procurement.

a. The City must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and other penalties as appropriate.

b. The City will comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

c. The City must verify and document that vendors are not suspended or debarred from doing business with the Federal Government. Federal guidelines require grant recipients to ensure vendors with contracts or purchases exceeding \$25,000 are not suspended or debarred from participating in federal programs. All City purchases and contracts issued from federal resources that exceed \$25,000 are subject to these guidelines.

d. Before initiating any purchases or contracts with federal funds that exceed, or may potentially exceed, \$25,000 within a fiscal year, the responsible City personnel shall verify that the vendor is not listed on the System for Award

Management Exclusion list. If a vendor is listed on this list, the City shall not complete the purchase or contract with the vendor. If the list shows no records for the vendor, document this, retain a copy in City files, and proceed.

Note: the Washington State Department of Enterprise Services does not check for suspension or debarment on State bid contracts.

6. Single Audit Act. The City, when receiving Federal funds, shall adhere to the Federal regulations relating to the requirement for single audits as outlined in applicable Federal and State statutes and regulations.

7. Closure. A project agreement end date will be established and any costs incurred after the project agreement end date are not eligible for Federal reimbursement.

8. The federal government ~~does~~ may not recognize Washington State's Small Works Roster alternative procedures or thresholds. The City will not use small works rosters procedures or thresholds if any federal funding is included or used without first verifying that such procedures or thresholds are recognized by federal regulations.

~~All grants are different. Some may require the City's procurement rules, while others require contracting clauses to be inserted into contracts.~~ B. Prior to initiating any purchases or contracts with federal funds, the ~~responsible~~ appropriate administrator will document that the procurement complies with the requirements of the Revised Code of Washington (RCW) 57.08.050 relating to contracts for materials and work, and Uniform Federal Guidance. The most restrictive procurement method will be used whether it be federal, state, or local law. The documentation shall be retained in the associated files.

VII. Insurance, Licenses, and Prevailing Wages

Four requirements need to be met when hiring for projects for the City.

A. Certificates of Insurance. Before any contractor is allowed to work on City property, no matter the dollar amount of the work, the ~~City's insurance carrier should determine if a Certificate of Insurance is required.~~ If required, the contractor must furnish the City with a Certificate, naming the City as primary, and including any verbiage required by the City's insurance carrier.

B. Responsibility Criteria for Contractors. Anyone hired to do construction work on City property must have a valid State of Washington Contractor's License. The City must verify Worker's Comp Premium Status and check for debarment with the Department of Labor and Industries. For Federal contracts, any firm hired to do business with the City must be registered and in good standing with the US government. The status of these entities can be checked through the System of Award Management (SAM) portal. The City will print out the relevant pages and file them in the Clerk's Audit documentation notebook.

C. Business Licenses. A City of Gold Bar business license ~~is~~ may also be required dependent on licensing requirements found in the City's Municipal Code.

D. Prevailing Wage Requirements. RCW 39.12 requires that workers be paid certain hourly wages for all public works and public service maintenance contracts, no matter the dollar amount of the project.

This prevailing wage law was enacted to protect the employees of contractors performing public works construction/maintenance, from substandard earnings and to preserve local wage standards.

The Department of Labor and Industries administers the law; the State Attorney General prosecutes violators; and the State Auditor ascertains if policies, practices, and procedures meet the requirements of the law.

Owners and operators that do not have any employees do not need to pay themselves prevailing wages. However, they do need to file Intents and Affidavits with the Department of Labor and Industries, and list in section three (3) of those relevant forms, that they are the owner/operator of the business.

Any worker, laborer, or mechanic performing public work must be paid prevailing wages. This does not typically apply to work that is clerical, executive, administrative, or professional. Grant-funded projects may be an exception to this.

VIII. Determining Contract Value

Contract value refers to the total aggregate value of the contract, including all base periods, plus potential renewal periods. Example: a three year contract for \$40,000 per year is considered a \$120,000 contract.

~~VIII~~ IX. Technology Controlled Commodities

A. The purchasing of cell phones, telephone equipment, computers, printers, scanners, copiers and related equipment, hardware, software, licensing, and technical services less than \$15,000 requires ~~approval of~~ prior review by the clerk/treasurer, mayor and IT contractor.

B. For purchases of equipment and/or software costing above fifteen thousand dollars (\$15,000) the City may follow a competitive negotiation process as an alternative to the bid process. RCW 39.04.270(3) allows purchases through use of an alternative competitive negotiation process requiring, at a minimum, the following steps.

1. A request for proposals (RFP) must be published in the City's newspaper of record at least thirteen (13) days before the last date on which the proposals will be received.
2. The RFP must identify significant evaluation factors, including price, and their relative importance.

3. The City must provide reasonable procedures for technical evaluation of the proposals, identification of qualified sources, and selection for awarding the contract.

4. The award must be made to the qualified bidder whose proposal is most advantageous to the City. The City may reject all proposals for good cause and request new proposals.

C. Technology purchases include any technology hardware or software system purchase or maintenance agreements. There are two types of maintenance agreements.

1. *Sole Provider*. When annual maintenance of a City system is performed by the sole proprietor/vendor of that hardware/software, and there are no other maintenance providers available, a competitive process is not reasonable. For these situations, annual maintenance agreements are treated as standalone agreements. An example of a sole provider for the City is the BIAS Springbrook software utilized for billing and cash receipting. Annual maintenance costs for sole providers, once the initial contract is approved, shall be part of the annual budget as presented to the City Council.

2. *Multiple Providers*. When there are multiple maintenance providers available for a particular system, and competition clearly exists for the service, a quote or RFP process may be required depending on the dollar amount. Because data may be handled, accessed, or stored by multiple providers it is imperative that the City's IT person be contacted prior to purchasing such products.

X. Bid Splitting

The breaking of any project into units, or accomplishing any project by phases, is prohibited if it is done for the purpose of avoiding compliance with bidding statutes.

The Washington Supreme Court has held that a city cannot break a public work project into phases for the purpose of estimating the cost of a public works project, even though those phases are performed at different levels of time. Instead, a city, while completing the actual project in phases, must total the cost of all phases of the public works project or purchase. If the aggregate cost exceeds the applicable bid limit, the city must bid each phase of the project even though a single phase may cost less than the bid limit.

To avoid bid splitting combine all phases of a public works project or vendor purchase when estimating cost.

XI. Types of Projects

Local Government purchases and projects generally fall into one of five categories.

A. *Materials, Supplies, and Equipment*. Purchases of good, equipment, supplies, or materials that are not connected with a public works project.

B. Public Works. All work, construction, alteration, repairs, or improvements to physical property, other than ordinary maintenance, that are paid for by a municipality.

C. Professional Architecture and Engineering Services. Professional services provided by a consultant that fall under architecture, engineering, land surveying, or landscape architecture.

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

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

XII. Cooperative Purchasing

E. Cooperative Purchasing. RCW 39.34.030 allows the city to join with other governmental agencies for the purchase of supplies, equipment, or services. This is done by entering into a written interlocal agreement which must be approved by the city council.

Bids and/or contracts by municipalities and cooperative organizations can be used to acquire goods and services. When using a cooperative option, the City is, in essence, ‘piggybacking’ off of the original entity’s competitive process, thus eliminating the need to perform the City’s own purchase and procurement process.

An example of such ‘piggybacking’ includes the City’s contract with Snohomish County for vehicle purchases.

The cooperative purchasing process utilizes the following steps.

1. Confirm the City has a signed cooperative purchasing agreement or interlocal agreement with the municipality or agency. This involves working with the City’s Clerk/Treasurer and executing an agreement if necessary.
2. Review the cooperative contract or interlocal for any ‘piggyback’ requirements and work with the cooperative ~~agent~~ agency if necessary.
3. Contact vendors to verify the vendor will honor the cooperative organization’s contract pricing. This involves obtaining details regarding all aspects of purchasing, including invoicing, availability, delivery, etc.
4. Contact the vendor to place the order and follow normal invoicing requirements.
5. Compile all documentation and provide records to the City’s Clerk/Treasurer for audit documentation.

6. Ensuring that, as part of the completion process, all terms and conditions of the underlying cooperative contract/interlocal apply and have been met.

The City has the option to change contract requirements. If this happens, the City must utilize its own contract that identifies those requirements that are unique to the City’s purchase and that do not allow for a cooperative process.

The use of cooperative purchasing allows the City to utilize another entity’s competitive process. It does not, however, change the authorized levels for procurement and approvals. The procurement and approval process will be determined by the purchase type, as defined in this policy.

~~When a vendor demonstrates ongoing problems, staff will document the issues. Canceling a contract or not awarding a new contract will not be possible without documentation.~~

IX. XIII. Purchase of Materials, Supplies, and Equipment

This section relates to the purchase and procurement of things unrelated to services or public works. Examples include office supplies, copy machines, maintenance supplies, etc.

Only authorized purchases that meet the following criteria are allowed.

1. Materials, supplies, and equipment used to conduct City business,
2. Materials, supplies, and equipment that are consistent with City priorities,
3. Materials, supplies, and equipment that are consistent with state and local laws, and
4. Materials, supplies, and equipment that are within predetermined budgets ~~are allowed.~~

A. Thresholds. The thresholds for materials, supplies, and equipment included in this section consist of items purchased within a calendar year that are identical, similar or alike, or items used in conjunction with one another.

\$0 - \$14,999	Competition is not required. Supervisors are encouraged to determine price is fair and reasonable and document in files.	Staff may approve purchases up to \$2,000. Supervisors may approve purchases up to \$14,999.
\$15,000 – \$150,000 <u>\$50,000</u>	3 documented quotes. Phone quotes are acceptable up to \$20,000. <u>Written or emailed quotes are required over that amount.</u> <u>Quotes must be attached to invoices.</u> Note: <u>obtaining quotes</u>	Supervisors may approve purchases up to \$20,000. Purchases over \$20,000 must have prior approval by the Mayor, and must be approved by the City Council if not already approved through the budget process.

	<u>is not a formal bid process. See further information below table.</u>	
<u>\$50,000 - \$150,000</u>	<u>MRSC Vendor Roster, City Small Works Roster. See further information below table.</u>	<u>Mayor may approve purchases up to \$60,000 if part of the approved budget. Council must be informed in a timely manner. Over \$60,000, Council must approve purchases in advance unless already approved through the budget process.</u>
<u>Over \$150,000</u>	<u>Formal bid, Request for Qualifications, or RFP Request for Proposals. Sealed bids may be required over \$150,000.</u>	<u>Purchases requiring a formal bid or RFQ/RFP process must have prior approval by the Council unless already approved through the budget process. The Mayor or Public Works Director awards winning bids or RFQs/RFPs.</u>

All dollar limits include freight, handling, and set-up costs, plus appropriate sales tax.

1. General Process.

Quotes, RFQs, RFPs, and/or bids will not be accepted verbally.

All vendors must include contact information.

All vendors must be provided the same information to ensure vendors are quoting on equal and comparable items. If one vendor offers an acceptable alternative and the city agrees, new quotes must be requested from all vendors with the alternative specifications.

The city will not pay for technical information from vendors. If the information is to be shared with other vendors, it must be stated up front. If a vendor’s technical information is used without their approval, the city may face legal consequences.

On-site demonstrations or delivery of preview/trial items will not constitute a purchase or an agreement to purchase.

At the time quotes are solicited, staff shall not inform a vendor of any other vendor’s quote.

A written record shall be made by staff of each vendor’s quote on the materials, supplies, or equipment, and of any conditions imposed on the quote by such vendor.

It is allowable to use criteria other than cost, such as qualifications, available staff, delivery timelines, return policies, familiarity with the City of Gold Bar, etc., in making an award.

An award shall be made to the vendor submitting the lowest or best responsible quote. Product availability may be taken into consideration. All quotes must include, if possible, shipping and sales tax, or an estimate of both.

Whenever there is a reason to believe that the lowest acceptable quote is not the best price obtainable, all quotes may be rejected and the City may obtain new quotes.

All quotes must be documented and retained according to retention laws.

2. Process: Informal Competitive Quotes, \$15,000 - \$50,000. Staff shall make an effort to contact at least three vendors and are encouraged to attempt to obtain at least one quote from a local business. The number of vendors contacted may be reduced if the item being sought is only available from a smaller number of vendors. When fewer than three quotes are requested or if there are fewer than three replies, an explanation shall be attached to documentation. (See also the Thresholds table above.)

3. Process: Vendor Rosters, \$50,000 - \$150,000. When purchasing materials, supplies, or equipment not connected to a public works project and between \$50,000 - \$150,000, the City may award purchasing contracts by a vendor roster process. The City has contracted with Municipal Research Services Center (MRSC) for use of a state-wide vendor roster developed and maintained by MRSC. Alternatively, staff may use a city-developed and maintained roster. (See also the Thresholds table above.)

If the city uses the small works roster process to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property must make available a list of the contracts awarded under the process at least once every year, as required by the Revised Code of Washington (RCW) 39.04.200. the list shall contain the name of the contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items purchased under the contract, and the date it was awarded. The list shall also state the location where the bid quotations for these contracts are available for public inspection.

To use the roster:

- draft a written, detailed description of the specific materials, supplies, or equipment to be purchased,
- make a good-faith effort to contact at least three vendors on the roster,
- save a written record of each vendor's quote, and
- retain documentation according to state retention laws, audit requirements, and city requirements.

If the city uses the small works roster process to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property must make available a list of the contracts awarded under the process at least once every year, as required by the Revised Code of Washington (RCW) 39.04.200. the list shall contain the name of the contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items purchased under the contract, and the date it was awarded. The list shall

also state the location where the bid quotations for these contracts are available for public inspection.

4. Process: Formal Bid Process, over \$150,000. Purchases of supplies, goods, materials, and/or equipment over \$150,000 that are not part of a public works project must use the formal bid process, with price being the primary factor in the contract award decision. (See also the Thresholds table above.)

Unless otherwise specifically approved by the Council, all contracts relating to the purchase of materials, supplies, and equipment shall be in accordance with the city budget.

The Public Works Director shall compile bid packages, including technical specifications, bid and contract timeframes, pre-bid conference dates/times, a list of vendors if applicable, and any other bid documentation.

Public notice of the request for bids shall be published at least once in a newspaper of general circulation and on the city's website. The public notice shall state the date and time of bid opening. Bids not received by the date and time stated for bid opening will not be accepted or considered.

Arrange a pre-bid conference if necessary or requested, and include that date in the published information.

Maintain documentation of vendors and their bid information.

Bids shall be opened publicly and recorded at the time and place designated in the request for bids.

Bid awards may be withdrawn, modified or cancelled by written notice prior to the time of bid opening. After bid opening, withdrawal of bids shall be permitted only to the extent that the bidder can show clear and convincing evidence presented in a sworn affidavit or declaration submitted no later than 5:00 pm on the first business day after bid opening that a clerical mistake was made and not a mistake in judgment, and must specify the intended bid price. All decisions to permit the withdrawal of bids after bid opening, or to cancel awards or contracts based on bid mistake, shall be made by the Mayor after consultation with the Public Works Director and/or legal counsel.

5. Lowest Responsible Vendor. The following factors, in addition to price, may be taken into account by the city in determining the lowest responsible vendor. If any or all of these criteria will be applied during the evaluation process, they must be included in the request for bids and in the Evaluation Checklist.

- a. Familiarity with the City of Gold Bar and/or east county region.
- b. The ability, capacity, and skill of the vendor to perform the contract.

- c. The character, integrity, reputation, judgment, experience, and efficiency of the vendor.
- d. Whether the vendor can perform the contract within the time specified.
- e. The quality of performance of previous contracts or services.
- f. The previous and existing compliance by the vendor with laws relating to the contract.
- g. Such other information as may have a bearing on the decision to award the contract.

Bids shall be tabulated and documentation retained. The award of bid shall be made to the lowest responsible bidder whose bid meets the city's specifications and evaluation criteria. The city may reject all bids at its discretion. (see also 'lowest responsible vendor')

If recommendation for award is made to anyone other than the lowest bidder, documentation must state the specific reasons why the lowest bid was not acceptable and the documentation reviewed by the Mayor and/or legal counsel.

XIV. Payments

~~B. Payments:~~ All questions regarding payments should be directed to the City's Clerk/Treasurer.

~~1. Cash advances are prohibited.~~

~~2. Expenditures paid with a City ~~debit~~ credit card shall be made in the amount of actual expenditures only.~~

~~3. The City's Office Manager ~~or designee~~ shall be the custodian of the City's ~~debit~~ credit cards.~~

~~4. All purchases with City ~~debit~~ credit cards shall be accompanied by receipts, purchase orders if required, and/~~or~~ supporting documentation, and given to the Clerk/Treasurer.~~

~~C. Procedure to obtain quotes (\$15,000—150,000). Employees may obtain phone quotes up to \$20,000. Written quotes are required above \$20,000.~~

~~1. A minimum of three vendors must be contacted for quotations. Ensure vendors are quoting on equal and comparable items. All vendors must be provided the same information. If one vendor offers an acceptable alternative, new quotes must be requested using the alternate specifications.~~

~~2. The City will not pay for any technical information from the vendor. If the information is to be shared with other vendors, it must be stated so up front. If a vendor's technical information is used without their approval, the City may face legal consequences.~~

~~3. On-site demonstrations or delivery of preview/trial items does not constitute a purchase or an agreement to purchase.~~

- ~~4. All quotes must include, if possible, shipping and tax charges, or an estimate of both.~~
- ~~5. All quotes, whether by phone or in writing, must be documented and must include contact information. Documentation, the original request for quotes, and any resulting invoices or purchase orders, must be filed with the City Treasurer.~~
- ~~6. Selection will be made based on the recommendation of the requesting employee or supervisor, considering the price, quality, history of reliability, and product availability.~~

~~D. Procedure for formal bids or RFPs (over \$150,000). Bids/RFPs are required whenever the cost of materials, supplies, equipment, or ordinary services exceeds \$150,000. Supervisors are responsible for the bidding/RFP process.~~

- ~~1. Notify the Mayor and Clerk/Treasurer regarding projected costs.~~
- ~~2. Create specifications, a bid/RFP packet, and have the packet reviewed by the Mayor and/or the Clerk/Treasurer. The packet may also require review by the City attorney.~~
- ~~3. Publish information in the City's newspaper of record.~~
- ~~4. Arrange a pre-bid conference if necessary, and include that date in the published information.~~
- ~~5. Distribute bid/RFP packets to those who request it and maintain documentation of vendors and their information.~~
- ~~6. If bids/RFP packets are sealed, conduct a bid opening with the Mayor and/or Clerk/Treasurer.~~
- ~~7. If bids/RFP packets are not sealed, document the bids and do not reveal the contents to other bidders until awarded.~~
- ~~8. Tabulate bids and verify responsiveness.~~
- ~~9. Award the bid/RFP after opening bids on the date listed in the packets and reviewing the bids with the Mayor. The bid/RFP must be awarded for the most responsive bid from a responsible bidder. If recommendation for award is made to anyone other than the low bidder, documentation must be attached listing the specific reasons why the lowest bidder was not awarded the bid/RFP.~~

~~E. Cooperative Purchasing. Bids and/or contracts by municipalities and cooperative organizations can be used to acquire goods and services. When using a cooperative option, the City is, in essence, 'piggybacking' off of the original entity's competitive process, thus eliminating the need to perform the City's own purchase and procurement process.~~

An example of such ‘piggybacking’ includes the City’s contract with Snohomish County for vehicle purchases.

The cooperative purchasing process utilizes the following steps.

1. Confirm the City has a signed cooperative purchasing agreement or interlocal agreement with the municipality or agency. This involves working with the City’s Clerk/Treasurer and executing an agreement if necessary.
2. Review the cooperative contract or interlocal for any ‘piggyback’ requirements and work with the cooperative agent if necessary.
3. Contact vendors to verify the vendor will honor the cooperative organization’s contract pricing. This involves obtaining details regarding all aspects of purchasing, including invoicing, availability, delivery, etc.
4. Contact the vendor to place the order and follow normal invoicing requirements.
5. Compile all documentation and provide records to the City’s Clerk/Treasurer for audit documentation.
6. Ensuring that, as part of the completion process, all terms and conditions of the underlying cooperative contract/interlocal apply and have been met.

The City has the option to change contract requirements. If this happens, the City must utilize its own contract that identifies those requirements that are unique to the City’s purchase and that do not allow for a cooperative process.

The use of cooperative purchasing allows the City to utilize another entity’s competitive process. It does not, however, change the authorized levels for procurement and approvals. The procurement and approval process will be determined by the purchase type, as defined in this policy.

When a vendor demonstrates ongoing problems, staff will document the issues. Canceling a contract or not awarding a new contract will not be possible without documentation.

X. XV. Purchase of Public Work Construction Activities

Public works consists of all work, construction, alteration, repairs, maintenance, or improvements that the City has performed or contracted. Dollar thresholds for public works projects determine when competition is required and are summarized below. It is the responsibility of the Public Works Director and/or Mayor to determine who shall order work for the Public Works Department when under respective quote limits.

\$0 - \$9,999	Competition is not required. <i>Note: prevailing wage and insurance are still required.</i>	Projects awarded/approved by the Mayor or the Public Works Director.
\$10,000 – \$34,999	Utilize the ‘limited public work’ process as described in RCW 39.04.155(3) and as described in the procedure below.	Projects awarded/approved by the Mayor or Public Works Director.
\$35,000 – \$10,000 - \$299,999 \$200,000	Utilize the small works roster process as described in RCW 39.04.155 <u>152</u> and as found below in ‘General Process’. If the small works roster is not used, formal competitive bidding is required for single projects over \$40,000 and for multi projects over \$65,000.	Projects awarded/approved by the Mayor and City Council. Mayor may approve purchases up to \$60,000 if part of the approved budget. Council must be informed in a timely manner. Over \$60,000, Council must approve purchases in advance unless already approved through the budget process.
\$300,000 \$200,000.01 and over	Formal competitive bidding is required as described in RCW 39.04; and RCW 35.23.352.	Projects awarded/approved by the City Council.

A. General Process.

Bids will not be accepted verbally.

All vendors must include contact information.

All vendors must be provided the same information to ensure vendors are quoting on equal and comparable items. If one vendor offers an acceptable alternative and the city agrees, new quotes must be requested from all vendors with the alternative specifications.

The city will not pay for technical information from vendors. If the information is to be shared with other vendors, it must be stated up front. If a vendor’s technical information is used without their approval, the city may face legal consequences.

On-site demonstrations or delivery of preview/trial items will not constitute a purchase or an agreement to purchase.

At the time quotes are solicited, staff shall not inform a vendor of any other vendor’s quote.

A written record shall be made by staff of each vendor’s quote on the materials, supplies, or equipment, and of any conditions imposed on the quote by such vendor.

An award shall be made to the vendor submitting the lowest or best responsible quote. Product availability may be taken into consideration. All quotes must include, if possible, shipping and sales tax, or an estimate of both. It is allowable to use criteria other than cost, such as delivery timelines, return policies, familiarity with the City of Gold Bar, etc., in making an award.

Whenever there is a reason to believe that the lowest acceptable quote is not the best price obtainable, all quotes may be rejected and the City may obtain new quotes.

All quotes must be documented and retained according to retention laws.

A. *B. City labor force.* The City may use public works employees to perform and execute all projects not exceeding \$65,000 for multi- projects or \$40,000 for single projects. These projects include equipment, supplies, and labor costs. All projects conducted with City labor must be documented in a list format for audit purposes.

C. ~~For~~ *Limited public works (\$10,000 - \$34,999 \$200,000).* ~~†~~The City may waive the payment and performance bond requirements of RCW 39.08 and may waive the retainage requirements of RCW 60.28.011(1)(a), thereby assuming the liability for any contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes, increases, and penalties imposed under RCW titles 50, 51, and 82 that may be due from the contractor for limited public works projects. However, the City shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

3- For limited public works contracts less than ~~\$35,000~~ \$200,000, electronic or written quotations will be solicited from a minimum of three contractors on the small works roster. No advertisements are necessary, bid bonds are optional, payment/performance bonds can be waived, and retainage can be waived. However, prevailing wage intents/affidavits are required, as is insurance.

Small Works Rosters. For public works projects between \$10,000 - \$200,000, the City may award purchasing contracts by a vendor roster process. The City has contracted with Municipal Research Services Center (MRSC) for use of a state-wide vendor roster developed and maintained by MRSC. Alternatively, staff may use a city-developed and maintained roster.

If the city uses the small works roster process to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property must make available a list of the contracts awarded under the process at least once every year, as required by the Revised Code of Washington (RCW) 39.04.200. the list shall contain the name of the contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items purchased under the contract, and the date it was awarded. The list shall also state the location where the bid quotations for these contracts are available for public inspection.

To use the roster:

- draft a written, detailed description of the specific materials, supplies, or equipment to be purchased,
- make a good-faith effort to contact at least three vendors on the roster,
- save a written record of each vendor's quote, and
- retain documentation according to state retention laws, audit requirements, and city requirements.

~~B. E.~~ On-call/unit priced contracts. On-call work order contracts are ~~bid and~~ awarded without a specific public works project or scope of work in place, but rather are categorized around general types of anticipated work or trades.

1. When a specific scope of work is identified, individual work (or task) orders are authorized based on either a 'not-to-exceed time and materials' basis or on a negotiated lump sum amount, using the unit prices bid by the contractor. The contractor then proceeds to complete the work. Typically these types of contracts are used for repair, renovation, and maintenance of public facilities, all of which are included in the definition of public works in RCW 39.04.010. These contracts are typically on an annual basis, with optional renewals.
2. Bidding and ~~approval~~ award thresholds in amounts as referenced in the above table, apply toward the total ~~'master'~~ on-call contract amount. The Mayor or Public Works Director will approve individual task/work orders up to \$100,000 with the Mayor notifying the City Council. For individual task/work orders over \$100,000, the projects must be approved by the Council.
3. Such contracts should be limited to a total dollar amount over the life of the contract to an amount less than an agency's bid limits when possible.
4. Requests for bids under such a contract should incorporate unit price and lump sum price bid items as much as is practical.
5. Award of such a contract should be to a responsible contractor with the lowest total price based on the sum of the unit price and lump sum bid item extensions.
6. Task or work orders shall be completed by the Public Works ~~Department~~ Director for each new project.
7. All other public work requirements apply based on contract amount and on an individual task order basis.
8. If the original lump sum bid items will not cover work to be accomplished, new line items may be added by change orders or the work may be accomplished under a time and materials work order if the total contract amount will not be exceeded.

~~C. Small Works Roster. RCW 39.04 provides small works roster provisions to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property. The small works roster may be used for public works projects less than \$300,000.~~

~~The small works roster maintained by the Municipal Research and Services Center allows the City to evaluate the professional qualifications on file when a proposed project is scheduled. Use of the small works roster allows the City to preclude the advertisement requirements of the formal competitive process.~~

Vendors/contractors selected from the small works roster are not relieved from the City's contract requirements as outlined below:

1. For contracts between \$150,000 and \$300,000: if the City solicits bids from less than all the contractors listed under the appropriate category on the small works roster, the City will notify the remaining contractors that quotations on the work are being sought. The City may notify the remaining contractors using publication in the City's newspaper of record, mailing notices, sending notices by facsimile, and/or sending notices by electronic mail.
2. For contracts less than \$150,000: proposals will be solicited from a minimum of five qualified contractors in a specific category on the small works roster. If the roster includes less than five qualified contractors, then all contractors for the category will be solicited.
3. For limited public works contracts less than \$35,000, electronic or written quotations will be solicited from a minimum of three contractors on the small works roster. No advertisements are necessary, bid bonds are optional, payment/performance bonds can be waived, and retainage can be waived. However, prevailing wage intents/affidavits are required, as is insurance.
4. The contract must be awarded to the contractor submitting the lowest responsive quote.
5. Contract awards and purchases over \$100,000 require approval and award by the City Council.

For limited public works (\$10,000 – \$34,999) the City may waive the payment and performance bond requirements of RCW 39.08 and may waive the retainage requirements of RCW 60.28.011(1)(a), thereby assuming the liability for any contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes, increases, and penalties imposed under RCW titles 50, 51, and 82 that may be due from the contractor for limited public works projects. However, the City shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

F. For eCompetitive bids over \$300,000 \$200,000.01, or for projects over \$40,000 that do not utilize a small works roster, the following steps must take place.

1. A request for authorization from the Mayor or Council to call for bids is required except for those projects or items identified in the currently approved budget. ~~In special circumstances where the publication of bids may impinge on the safety of staff or City assets, the Mayor may waive portions of the bid procedures.~~
2. After receiving authorization, a call for bids shall be published in ~~the City's a~~ newspaper of record general circulation and the city's website at least fourteen days prior to bid submittal deadline.

3. Calls for bids should contain a summary of the project and a link to the full definite specifications and procedures for bidders to use to estimate their bids, prevailing wage and licensing requirements, and bid opening deadlines.

4. Bids shall be submitted to the City's Office Manager for date stamps and processing.

5. Bids shall be opened by the Mayor or representative in the presence of the Public Works Director and/or ~~the Clerk/Treasurer~~ Office Manager on the date stipulated in the bid packet. The opening may be open to the general public.

6. Lowest Responsible Vendor. The following factors, in addition to price, may be taken into account by the city in determining the lowest responsible vendor. If any or all of these criteria will be applied during the evaluation process, they must be included in the request for bids and in the Evaluation Checklist.

a. Familiarity with the City of Gold Bar and/or east county region.

b. The ability, capacity, and skill of the vendor to perform the contract.

c. The character, integrity, reputation, judgment, experience, and efficiency of the vendor.

d. Whether the vendor can perform the contract within the time specified.

e. The quality of performance of previous contracts or services.

f. The previous and existing compliance by the vendor with laws relating to the contract.

g. Such other information as may have a bearing on the decision to award the contract.

Bids shall be tabulated and documentation retained. The award of bid shall be made to the lowest responsible bidder whose bid meets the city's specifications and evaluation criteria. The city may reject all bids at its discretion. (see also 'lowest responsible vendor')

If recommendation for award is made to anyone other than the lowest bidder, documentation must state the specific reasons why the lowest bid was not acceptable and the documentation reviewed by the Mayor and/or legal counsel.

~~6. Except as otherwise provided in this policy, the City shall accept the bid of the lowest responsive bidder. The Mayor shall inform the City Council of the award of bid.~~

~~7. When the bid award is not given to the lowest bidder, a statement of the reasons for not selecting the lowest bid shall be prepared by the Public Works Director or the Clerk/Treasurer and submitted to the Mayor and Council, then filed with records relating to the project.~~

8. The Mayor and/or designee may reject without cause any and all bids and may re-advertise for bids pursuant to the procedures herein. If no bids are received, the Mayor and/or designee may negotiate the project with a vendor at the lowest possible cost. If the negotiated bid exceeds the current approved budget, the bid will be brought before the City Council for approval of award.

9. The contractor will provide a performance bond in an amount as determined necessary by the Mayor and/or designee to protect the best interests of the City and to assure compliance with the contract.

10. RCW 60.28.011 requires agencies to withhold up to five percent of the value of a public improvement contract, not including sales tax, as retainage until the project is completed and the contract is accepted. Some grant requirements may require a higher percentage of retainage.

~~11. a. Instead of having retainage withheld from the contract payments, a~~ A contractor may opt to submit a retainage bond ~~instead,~~ that covers ~~any or all of the~~ bid amount. It is up to the City whether to accept a retainage bond in lieu of withholding retainage.

D. G. Prevailing Wages. To ensure prevailing wage laws are followed, refer to these points. Also refer to Section VII, Insurance, Licenses, and Prevailing Wages.

~~1. Prior to getting an estimate or a quote the vendor must be notified that they must pay prevailing wages. More information may be obtained by the vendor from the Department of Labor and Industries (L&I).~~

~~2. 1.~~ After a vendor has been selected selection, the vendor is required to file a 'Statement of Intent to Pay Prevailing Wages' with L&I *prior to starting work*. The vendor must ~~show to provide documentation to~~ the City that this filing has taken place and must insert the City Contract number in the contract number box on the Statement form.

~~3. 2.~~ After the work is completed the vendor must also file an 'Affidavit of Wages Paid' with L&I. The vendor must insert the City Contract number in the contract number box on the Statement form. Final payment and/or retainage from the City ~~must will~~ not be released until certified intents and affidavits have been received, ~~For contracts over \$35,000,~~ Notice of Project Completion has been submitted to the Department of Revenue, Employment Security, and L&I through the normal retainage process, and releases from those agencies has been obtained.

E. H. *Change orders.* A purchaser's written authority to the supplier to modify or add to a purchase/project results in a change order created by the City or its designee.

The Mayor and/or Public Works Director may authorize individual change order increases up to twenty percent of the project or \$20,000, whichever is less. Change orders increasing project cost more than ~~that~~ \$20,000, or that cause the project as a whole to go over the budgeted amount, must receive prior approval from the City Council. In cases of emergencies, approval of change orders that may cause the project as a whole to go over budget, may receive pre-approval from the Mayor. Such emergency pre-approval must be documented.

F. I. *Final project acceptance.* The Public Works Director is authorized to formally accept all projects as final, followed by a report to the City Council. The Public Works Director may choose to defer final project acceptance to the City Council.

XI. XVI. Purchase of Architect and Engineering Services

A. Process. The city may create an in-house roster of architect and engineering services through a Request for Proposals/Request for Qualifications process. This process should include use of the Request for Qualifications Template form and the Selection Process Criteria form. Both forms shall be retained according to retention regulations. The city may also utilize the Municipal Research Services Center Consultant Roster. (names of these forms may change once we finalize/create them)

~~Architectural and engineering consultants are initially selected based upon their qualifications rather than price (see RCW 39.80.050). The City will negotiate a contract with the most qualified firm at a price which the City determines is fair and reasonable, as allowed by Revised Code of Washington, chapter 39.80.050. In making its determination, the City shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature of those services. If the City is unable to negotiate a satisfactory contract with the firm selected at a price the City determines to be fair and reasonable, negotiations shall be terminated and the City shall begin negotiations with the next highest qualified firm. These services are to be acquired under the authority and procedures outlined in RCW 39.80 for architectural and engineering services.~~

~~The City may use Municipal Research Services Center Consultant Roster for architectural, engineering, and surveying services.~~

A. Thresholds for architectural and engineering services.

1. Services from \$0 - \$100,000 shall be awarded/approved by the Mayor.
2. Services over \$100,000 shall be awarded/approved by the City Council.

XII. XVII. Purchase of Ordinary or 'Purchased' Services

Ordinary/Purchased services are those provided by vendors for routine, necessary, and continuing functions of the City and are typically related to physical activities. Many such services require prevailing wages. To find out if such service does, refer to the Department of Labor and Industries.

A. Follow the procedures listed below for purchases that are repetitive, routine, or mechanical in nature.

1. Purchases must contribute to the day-to-day business operations.
2. Purchases must be related to assigned and specific tasks.
3. Decision making for such purchases must be routine or perfunctory in nature and not tied to purchases requiring Mayor/Council approval.
4. ~~Examples include delivery/courier service, building maintenance, such as janitorial services, landscaping, vehicle inspection, lubricating, and repair services, routine regular or routine maintenance services.~~

B. Thresholds for ordinary or ‘purchased’ services:

\$0 - \$14,999	Competition is not required. Public Works Director is encouraged to determine price is fair and reasonable and document in files.	Public Works Director and/or Mayor awards and approves <u>purchased services</u> . <i>Note:</i> Director is required to notify the City Council at the next regular meeting during staff reports , for all awards <u>purchased services over \$10,000 that exceed the approved budget</u> .
\$15,000 – \$100,000	Three written quotes are required.	The Mayor awards and approves. <u>The Public Works Director obtains quotes and the Mayor approves purchased services. The Council is informed if purchased services exceed the approved budget.</u>
Over \$100,000	Formal RFP; may be sealed or not.	Projects <u>Purchased services awarded/approved by the Mayor and City Council.</u>

XIII. XVIII. Purchase of Professional Services

A. For the purpose of this section, A ‘professional service contracts’ means an agreements with an independent contractors with the exception of architectural and engineering services detailed in section XVI, Architect and Engineering Services, for providing that provide professional services to the City.

B. ~~There is not a state law requiring competition when procuring professional service contracts. However, t~~The City requires the following when contracting for professional services.

1. The city may utilize an in-house roster or any applicable roster through Municipal Research Services Center.

~~1. 2. On-call contracting may be used for all types of professional services. A minimum of three quotes must be solicited for professional services estimated between \$15,000 and \$100,000 if not using a vendor selected through the Request for Qualifications process. A RFP/RFQ process is required when the total cost in a calendar years' time exceeds \$100,000.~~

~~2. 3. For professional service contracts for legal services, management consulting, accounting and auditing, and/or real estate brokers, it is advised that t~~The City attorney may be consulted prior to signing for contract review as needed. or The Association of Washington Cities insurance risk management services may must be consulted for contract review the contracts prior to signing.

C. Thresholds for professional services.

\$0 - \$14,999	Competition is not required. Public Works Director is encouraged to determine price is fair and reasonable and document in files.	Public Works Director and/or Mayor awards and approves <u>purchased services. Note: Director is required to notify the City Council at the next regular meeting during staff reports, for all awards purchased services over \$10,000 that exceed the approved budget.</u>
\$15,000 – \$100,000	Three written quotes are required.	The Mayor awards and approves. <u>The Public Works Director obtains quotes and the Mayor approves purchased services. The Council is informed if purchased services exceed the approved budget.</u>
Over \$100,000	Formal RFP; may be sealed or not.	Projects <u>Purchased services awarded/approved by the Mayor and City Council.</u>

XIV. Purchase of Personal Services

\$0 – \$14,999	Competition is not required. Public Works Director is encouraged to determine price is fair and reasonable and document in files.	Public Works Director and/or Mayor awards and approves. Note: Director is required to notify the City Council at the next regular
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		meeting during staff reports, for all awards over \$10,000.
\$15,000— \$100,000	Three written quotes are required.	The Mayor awards and approves.
Over \$100,000	Formal RFP; may be sealed or not.	Projects awarded/approved by the Mayor and City Council.

XV. XIX. Purchase of Real Property

Leasing is generally used for mid-to-long-term contracts. Renting is usually a short-term solution that is a result of more causal events and can be approved by the Public Works Director.

A. Bids are not required on equipment leases, however the City may opt for legal or Council review, and the Mayor or designee must approve all equipment leases. The lease should also be reviewed by the clerk/treasurer prior to signing to ensure budgeting and financial accountability. Lease-to-own purchases are to be budgeted and accounted for as if the total expense is to be incurred when the item is purchased. Equipment leases must be part of the city’s annual financial report.

B. A lease of property (equipment) with option to purchase that is valued at more than \$15,000 is subject to competitive bidding. See ‘purchasing’ thresholds for bidding requirements.

XX. Telecommunications and Computer Equipment or Software

Because there are unique aspects of computer and telecommunication systems, the Revised Code of Washington (RCW) addresses these types of purchases in RCW 39.04.270, which requires municipalities to utilize an acquisition method for electronic data processing and telecommunication systems that is both competitive and compatible with the needs of the municipality.

Under this RCW, the city may acquire electronic data processing or telecommunication equipment, software, or services, through competitive negotiation rather than through competitive bidding.

‘Competitive negotiation’ shall include, at a minimum, the following requirements.

1. A request for proposal shall be prepared and submitted to an adequate number of qualified sources, as determined by the city in its discretion, to permit reasonable competition consistent with the requirements of procurement. Notice of the request for proposal must be published in a newspaper of general circulation at least thirteen (13) days before the last date upon which proposals will be received. The request for proposal shall identify significant evaluation factors, including price, and their relative importance.
2. The city shall provide reasonable procedures for technical evaluation of the proposals received, identification of qualified sources, and selection for awarding the contract.

3 the award shall be made to the qualified bidder whose proposal is most advantageous to the city, with price and other factors considered. Preference will be given to local qualified sources familiar with the city. The city may reject any and all proposals for good cause and request new proposals.

RCW 39.04.270 also authorizes the competitive negotiation process for the acquisition of electronic data processing or telecommunications equipment, software, or services. This is interpreted to mean installation services as well, since installation may require specialized knowledge of the systems. This means installation would not have to be bid separately from the equipment purchase. However, any installations meeting the definition of a 'public work in RCW 39.04.010 would still be subject to any other public works contracting requirements such as prevailing wages, bonds, retainage, and bidder responsibility criteria.

XVI. XXI. Exemptions to Competitive Bidding Requirements

Washington state statutes contain exceptions to bidding requirements. Exceptions, when exercised, should make good business sense and be in the best interest of the city. It is important to note that *only* the requirements for competitive bidding or advertising is waived. These statutes do not waive any contractual requirements, approvals, or insurance requirements.

A Resolution waiving competitive bidding due to any exception is required and must be presented to the council for review and approval. Many projects or purchases that the city might consider to fall within exceptions are in a 'gray' area of the law. If there is any doubt, city staff shall consult with legal counsel.

A. Exemptions to the competitive bidding requirements.

1. Purchases that are clearly and legitimately limited to a single source of supply such as licensed or patented goods or services; items that are uniquely compatible with existing equipment, inventory, systems, programs, or services; meet city standards such as water meters; or factory-authorized warranty services.

2. Purchases involving special features or market conditions such as items of special design, shape, or manufacture that match, or fit, with existing equipment, inventory, systems, or used items.

3. Purchases in an emergency.

4. Inter-governmental cooperative purchases.

5. Purchases of insurance or bonds.

6. Hiring of state or county departments for road projects.

A. B. Sole Source Purchases Vendor. A sole source is a unique exception to the city's purchasing policies. A sole source situation is when it is only feasible to obtain goods or services from one

supplier or service provider. There should be careful deliberation before going to a sole/single source as this type of purchase eliminates competition and tends to drive prices up. Sole source conditions include such things as:

1. Products, systems, information, or services that only one vendor is capable of providing, or authorized to provide;
2. supplies or services that only one vendor is capable of providing or authorized to provide;
3. items that are available from a single source and such items are required in order to function with existing equipment, systems, programs, or services;
4. situations where the sole source is the only practical way to meet the city's requirements or delivery deadlines; and/or
5. security requirements or information mandates that limit or require procurement from only a single vendor.

~~Purchases which by their nature are not adapted to competitive bidding, such as items which meet a specific need or criteria as determined by the City, and may only be purchased from a single source, shall not be subject to the competitive bidding requirements of this policy. Purchases above the threshold requiring multiple quotes or bids, from a sole source vendor, require prior approval of the Mayor or designee. Follow procedures for how to declare Sole Source, in section XVII.~~

A sole/single source purchase may be approved if one or more of the following conditions are met.

1. Standardization or compatibility to existing city standards or to existing equipment, inventory, systems, data, programs, or service. This must be evaluated for cost benefit and/or safety.
2. Licensed or patented product with only one dealer, and the license or patent is paramount to procurement.
3. Only authorized service providers or repair and/or warranty services where such repairs or warranties may be negated if someone else worked on equipment.
4. Unique designs that require unique features that are essential, aesthetic, or not practical to match to existing design or equipment. Document the unique specifications that are needed that could drive the research in finding a product that fits the specific needs of the city.
5. Special market conditions, auctions, or other items that are offered at a favorable price and will be sold before an entity can conduct a complete bidding process.

6. Emergency situations.

7. Situations where there is a critical delivery date deadline.

Unless a specific and documented sole source condition exists, the city shall follow standard competitive processes.

If there is any doubt, the city should pursue a competitive process.

There must be a clear and appropriate reason for specifications that narrow the field to a sole source. A late start to a project does not justify a sole source process. Prior contracts with a vendor for work on a project is not necessarily an appropriate reason for a sole source waiver. The city must document sufficient information that objectively establishes there is only a single source or that a patented or proprietary use restriction exists.

~~B. C. Repairs and ordinary maintenance. Purchases for ordinary maintenance, repairs, or additions to City equipment, which may be more efficiently added to by a certain person or firm, shall not be subject to the competitive bidding requirements of this policy. Additions to ordinary maintenance or repairs that are more efficient if added during the work in progress shall not be subject to the competitive bidding requirements of this policy.~~

~~C. D. Special Market Conditions. Purchasing involving special facilities or market conditions. RCW 39.04.280(1)(b) provides a 'special market conditions' waiver from the bidding requirements for purchases of materials, supplies, or equipment. To use this exemption, the council must pass a resolution stating the factual basis for the exception.~~

While no definition is given in the statutes, a common understanding is that if supplies or used equipment are offered at a favorable price and could be sold before a city had a chance to complete the bidding process, there is a special market condition. However, since there have been no court cases or attorney general's opinion on this subject, if the city wishes to invoke 'special market conditions' to waive bidding requirements, the city attorney should be consulted.

~~The Mayor or designee may waive established bidding requirements if an opportunity arises to purchase favorably priced equipment at an auction, or supplies or used goods that will be sold before the City can conduct the bid process when over bid thresholds. Written documentation of the special condition must be prepared for justification of the purchase and waiver of bidding requirements, and then approved by the Council through a resolution.~~

~~D. E. Purchase of insurance or bonds are exempt.~~

~~E. F. Surplus property. The City may, by agreement, acquire surplus property from another government without the use of bids. (See RCW 39.33.010)~~

~~F. Interlocal agreements in letting of contracts for commodities or services (piggybacking). RCW 39.34.030 permits governmental agencies to utilize other entities' contracts without going to bid. Please reference Section IX(e) for the criteria to be followed.~~

G. Emergency purchases ~~are exempt~~. For purposes of this section, 'emergency' means unforeseen circumstances beyond the control of the city that either present a real, immediate threat to the proper performance of essential functions or will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

Emergency work is only for the repair and/or restoration of facilities, utilities, and/or infrastructure to pre-damage conditions or current standards. Improvements do not constitute an emergency.

If an emergency situation is determined to exist, the mayor must be notified and a Declaration of Emergency issued. Upon that declaration, the mayor may authorize required purchases or use of contractors.

Emergency Public Works Procedures. Prior to emergency public work commencing, the Public Works Director must verify through the Department of Labor and Industries that the proposed contractor meets the following mandatory requirements.

1. Must be a registered contractor in compliance relevant RCWs;
2. Have a current Washington State Unified Business Identifier (UBI) number;
3. Have a Washington State Employment Security Department (ESD) account as required by RCW Title 50;
4. If applicable, have industrial insurance/workers comp coverage as required in RCW Title 51;
5. Have a state excise tax registration number as required in RCW Title 82;
6. Have training on requirements related to public works and prevailing wages under RCW 39.04.350 and 39.12, or be exempted by the Department of Labor and Industries;
6. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065;
7. Not currently be debarred or suspended by the Federal Government on the U.S. Government's 'System of Award Management' database.

The Public Works Director or Clerk/Treasurer must retain a copy of this verification check.

~~In the event of an emergency, the City Council, Mayor, or designee may declare that an emergency situation exists, waive competitive bidding requirements, and award necessary contracts on behalf of the municipality to address the emergency situation. If a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be made by the governing body or designee and duly entered into record during a Council meeting at the next regularly scheduled meeting.~~

H. Acquisition of real property is exempt from the competitive bidding requirements of this policy. Upon approval of the City Council, the Mayor or designee may proceed to acquire real

property through negotiation. Such negotiations shall be based upon an independent fee appraisal of the property. The City shall not pay more than fair market value for real property without prior Council approval. If the property is acquired in part or in whole with federal funds, such acquisition shall additionally comply with the Uniform Real Property Acquisition and Relocation Assistance Act of 1970 as amended. *Note: negotiations relating to property acquisition are typically handled through executive session during council meetings.*

~~XVII. How to Declare a Sole Source (or single source)~~

~~A sole source is where there is only one supplier of the product or service. A single source is where the vendor is ‘one vendor among others’, when other competitive sources may be available.~~

~~A. On a case by case basis, the bid or quote requirement may be waived and a sole/single source purchase approved, in accordance with RCW 39.04.280. There should be careful deliberation before going to a sole/single source as this type of purchase eliminates competition and tends to drive prices up. The City’s clerk/treasurer should be involved in deliberations.~~

~~B. Threshold authority. Sole/single source purchases between \$15,000 and \$150,000 require approval by the Mayor. For sole/single source purchases over \$150,000, Council approval is required.~~

~~C. A sole/single source purchase may be approved if *one or more* of the following conditions are met.~~

- ~~1. Standardization or compatibility to existing City standards or to existing equipment, inventory, systems, data, programs, or service. This must be evaluated for cost benefit and/or safety.~~
- ~~2. Licensed or patented product with only one dealer (and the license or patent is paramount to procurement).~~
- ~~3. Only authorized service providers or repair and/or warranty services where such repairs or warranties may be negated if someone else worked on equipment.~~
- ~~4. Unique designs that require unique features that are essential, aesthetic, or not practical to match to existing design or equipment. Document the unique specifications that are needed that could drive the research in finding a product that fits the specific needs of the City.~~
- ~~5. Special market conditions can be used to purchase items at auction (RCW 39.30.045) or other items that are offered at a very favorable price and will be sold before an entity will have a chance to complete the bidding process.~~
- ~~6. Emergency situations such as a coming flood and the need to obtain sandbags.~~

~~7. Situations where a fund must be expended immediately.~~

~~8. Situations where there is a critical delivery date deadline.~~

XVIII. XXII. Disposal Or Sale of Surplus Property

A. Surplus process. ~~A. Upon recommendations of the Mayor or supervisor,~~ Property with an estimated value under \$15,000 may be declared surplus by the Mayor and/or supervisor.

~~B. 1.~~ Property with an estimated value ~~over~~ between \$15,000 and \$49,999 must be declared surplus by the City Council and must meet *one or more* of the following criteria.

1. a. The City has, or soon will have, no foreseen practical and efficient use for the property.

2. b. The purpose served by the property can be accomplished by use of a better, more effective, or more efficient alternative.

3. c. The purpose served by the property no longer exists as determined by a change of policy evidenced by an ordinance or resolution of the City Council.

4. d. The property is damaged, worn out, or otherwise inoperable, and the cost of repairing the same is unwise or impractical.

~~C. 2.~~ If the value of the property the City seeks to surplus is greater than \$50,000, then a public hearing is required. (See RCW 39.33.020) Notification of the public hearing must be posted at least ten days, but not more than twenty-five days, prior to the hearing, and must be published in a newspaper of general circulation and on the city's website. Notification must include the date, time, and place of the hearing as well as identification of the property which can be easily understood by the public.

~~D. 3.~~ RCW 35.94.040 requires that a public hearing be held if real estate or personal property originally purchased for utility purposes is no longer needed for that use, and the City desires to lease, sell, or convey the property. A hearing is required regardless of the value of the property.

B. Sale of City Property or Equipment. The City may occasionally need to sell or convey equipment or property which is no longer needed for municipal purposes. The underlying authority for the sale and/or surplus of City equipment or property is found in the Revised Code of Washington (RCW) 35.23.010.

1. Prior to sale, the City will determine the fair market value of the equipment or property in order to avoid violating the 'gift clause' in the State Constitution. If the equipment or property is to be sold at less than fair market value, a reason must be demonstrated and approved by the City Council.

2. A public hearing is required for any sale of real estate or personal property originally purchased for utility purposes that is no longer needed for that use, regardless of the value of the property. (See RCW 35.94.040)
3. No public hearing is required for the sale of equipment or property valued at less than \$50,000 unless it relates to the sale of real estate or personal property purchased for utility purposes.
4. A resolution shall be passed prior to the sale of all equipment or property valued at more than \$1,000, declaring the equipment or property to be surplus, and specifying how the equipment or property shall be sold, or delegating that task to the Mayor or designee.
5. For equipment or property valued at less than \$1,000, approval must be obtained by the Mayor prior to sale. Approval shall be documented and documentation shall be filed by the City Clerk/Treasurer with audit paperwork for the current year. Items shall be listed for sale on the City website and/or posted at the City Hall.
6. The sale can be through any commercially reasonable way. This may be by auction, private sale, sealed bid, etc. The equipment or property to be sold must be advertised in a newspaper of general circulation, on the City's website, and/or by posting at the City Hall. The advertisement shall include a description of the equipment or property and the fair market value cost.
7. The final sale must include a waiver or document signed by the City's designee and the buyer, releasing the City from all liability related to the equipment or property sold.
8. The City's elected officials and employees may be restricted from purchasing surplus equipment or property due to conflict of interest concerns. Any elected official or employee directly involved in making the *decision* to surplus equipment or property, or any elected official or employee *administering* the actual sale, may not purchase the equipment or property.
9. The City Council may elect to discuss the selection of property for purchase or lease (or the price), during executive session if public knowledge regarding such consideration would cause a likelihood of increased price. (See RCW 42.30.110(1)(b))
10. The City Council may elect to discuss the minimum price at which it will sell a particular parcel of real estate during executive session, if public knowledge regarding such consideration would cause a likelihood of increased price. (See RCW 42.30.110(1)(c))
11. The City may transfer, lease, or dispose of property at low or no cost for affordable housing and related facilities for low-income and very low-income households, consistent with local regulations and the City's comprehensive plan. (See RCW 39.33.015 and 43.63A.510)

12. The City may sell or transfer property to other governmental entities at less than value in some instances. Such sales or transfers must meet the requirements of RCWs 39.33.010 and 43.09.210 as well as the Washington State Attorney General's Office publication 1997 No. 5.

XIX. XXIII. Trade-Ins

~~Trade-ins are allowed on new purchases if approved in advance by the City Clerk/Treasurer and/or the Mayor.~~

~~A. Trade-ins with a value less than \$15,000 must be negotiated, documented at fair market value, and declared surplus ahead of time by the Mayor or Clerk/Treasurer.~~

~~B. Trade-ins with a value of more than \$15,000 must be negotiated, documented at fair market value, and declared surplus ahead of time by the City Council.~~

~~C. Fair market value can be obtained by finding comparable units that have been sold at other sources. Documentation of fair market value should include the comparison sources and must be documented and retained according to retainage requirements.~~

XX. — Federal Code of Conduct

~~The purpose of the Code of Conduct is to ensure the efficient, fair, and professional administration of federal grant funds and compliance with applicable federal and state standards, regulations, and laws.~~

~~This Code of Conduct applies to all elected officials, employees, or agents of the City that are engaged in the award or administration of contracts supported by federal grant funds.~~

~~A. Requirements. No elected official, employee, or agent of the City shall participate in the selection, award, or administration of a contract supported by federal grant funds if a conflict of interest, real or apparent, is involved. Such a conflict would arise in the following situations:~~

- ~~1. The City employee, elected official, or agent has a financial or other interest that is real or apparent.~~
- ~~2. Any immediate family member of a City employee, elected official, or agent has a financial or other interest that is real or apparent.~~
- ~~3. Any partner of a City employee, elected official, or agent has a financial or other interest that is real or apparent.~~
- ~~4. Any organization which employs, or is about to employ, any person listed above.~~

~~B. Gifting and Gratuities. The City's elected officials, employees, or agents shall neither solicit, nor accept, gratuities, favors, or anything of monetary value from contractors, potential contractors, or subcontractors.~~

~~C. Remedies. To the extent permitted by federal, state, or local laws or regulations, violation of these standards may cause penalties, sanctions, or other disciplinary actions to be taken against the City's elected officials, employees, or agents, or the contractors, potential contractors, subcontractors, or their agents. Any potential conflict of interest will be disclosed in writing to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.~~

~~XXI. Federal Award Standards~~

~~The City will provide reasonable assurance that Federal awards are being managed in compliance with all Federal regulations and with the terms and conditions of the award. The City shall review all federal requirements in Federal CFR 200.318 – 200.326.~~

~~A. Internal Controls. The City will maintain effective internal controls over the Federal award, providing reasonable assurance that the City is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.~~

~~B. The City will take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.~~

~~C. The City will take reasonable measures to safeguard protected, personally identifiable information, and other information the Federal awarding agency or pass-through entity designates as sensitive.~~

~~D. Allowable Costs. Federal awards will meet the following general criteria in order to be allowable except where otherwise authorized by statute.~~

- ~~1. Be necessary and reasonable for the performance of the Federal award.~~
- ~~2. Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types of amount of cost items.~~
- ~~3. Be consistent with policies and procedures that apply uniformly to both Federal-financed and other activities of the City.~~
- ~~4. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.~~
- ~~5. Not be included as cost or used to meet cost sharing or matching requirements of any other Federally-financed program in either the current or a prior period.~~

~~6. Be adequately documented.~~

~~E. Procurement.~~

~~1. The City must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and other penalties as appropriate.~~

~~2. The City will comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.~~

~~3. The City must verify and document that vendors are not suspended or debarred from doing business with the Federal Government. Federal guidelines require grant recipients to ensure vendors with contracts or purchases exceeding \$25,000 are not suspended or debarred from participating in federal programs. All City purchases and contracts issued from federal resources that exceed \$25,000 are subject to these guidelines.~~

~~4. Before initiating any purchases or contracts with federal funds that exceed, or may potentially exceed, \$25,000 within a fiscal year, the responsible City personnel shall verify that the vendor is not listed on the System for Award Management Exclusion list. If a vendor is listed on this list, the City shall not complete the purchase or contract with the vendor. If the list shows no records for the vendor, document this, retain a copy in City files, and proceed.~~

~~*Note: the Washington State Department of Enterprise Services does not check for suspension or debarment on State bid contracts.*~~

~~F. Single Audit Act. The City, when receiving Federal funds, shall adhere to the Federal regulations relating to the requirement for single audits as outlined in applicable Federal and State statutes and regulations.~~

~~G. Closure. A project agreement end date will be established and any costs incurred after the project agreement end date are not eligible for Federal reimbursement.~~

~~**XXII. Sale of City Property or Equipment**~~

~~A. Overview. The City may occasionally need to sell or convey equipment or property which is no longer needed for municipal purposes. The underlying authority for the sale and/or surplus of City equipment or property is found in the Revised Code of Washington (RCW) 35.23.010.~~

~~B. Prior to sale, the City will determine the fair market value of the equipment or property in order to avoid violating the 'gift clause' in the State Constitution. If the equipment or property is to be sold at less than fair market value, a reason must be demonstrated and approved by the City Council.~~

C. For equipment or property valued at \$50,000 or more, the City will hold a public hearing during its normal City Council meeting. The public hearing will be posted in the City's newspaper of record no less than twenty-four hours prior to the Council meeting, and shall be posted on the City's website. The public hearing shall describe the item or property to be sold, the reason for no longer needing the equipment or property, and the fair market value of the equipment or property.

1. A public hearing is required for any sale of real estate or personal property originally purchased for utility purposes that is no longer needed for that use, regardless of the value of the property. (See RCW 35.94.040)

2. No public hearing is required for the sale of equipment or property valued at less than \$50,000 unless it relates to the sale of real estate or personal property purchased for utility purposes.

D. A resolution shall be passed prior to the sale of all equipment or property valued at more than \$500, declaring the equipment or property to be surplus, and specifying how the equipment or property shall be sold, or delegating that task to the Mayor or designee.

E. For equipment or property valued at less than \$500, approval must be obtained by the Mayor prior to sale. Approval shall be documented and documentation shall be filed by the City Clerk/Treasurer with audit paperwork for the current year. Items shall be listed for sale on the City website and/or posted at the City Hall.

E. The sale can be through any commercially reasonable way. This may be by auction, private sale, sealed bid, etc. The equipment or property to be sold must be advertised either in the City's newspaper of record, on the City's website and/or by posting at the City Hall. The advertisement shall include a description of the equipment or property and the fair market value cost.

F. The final sale must include a waiver or document signed by the City's designee and the buyer, releasing the City from all liability related to the equipment or property sold.

G. The City's elected officials and employees may be restricted from purchasing surplus equipment or property due to conflict of interest concerns. Any elected official or employee directly involved in making the *decision* to surplus equipment or property, or any elected official or employee *administering* the actual sale, may not purchase the equipment or property.

H. The City Council may elect to discuss during executive session, the selection of property for purchase or lease (or the price), if public knowledge regarding such consideration would cause a likelihood of increased price. (See RCW 42.30.110(1)(b))

I. The City Council may elect to discuss during executive session, the minimum price at which it will sell a particular parcel of real estate if public knowledge regarding such consideration would cause a likelihood of increased price. (See RCW 42.30.110(1)(c))

~~J. The City may transfer, lease, or dispose of property at low or no cost for affordable housing and related facilities for low income and very low income households, consistent with local regulations and the City's comprehensive plan. (See RCW 39.33.015 and 43.63A.510)~~

~~K. The City may sell or transfer property to other governmental entities at less than value in some instances. Such sales or transfers must meet the requirements of RCWs 39.33.010 and 43.09.210 as well as the Washington State Attorney General's Office publication 1997 No. 5.~~

CONSULTANT AGREEMENT

PROJECT TITLE	WORK DESCRIPTION
CONSULTANT	CONSULTANT CONTACT NAME, ADDRESS AND TELEPHONE NO.

THIS AGREEMENT is entered into on _____ between the City of Gold Bar, Washington, hereinafter called "the CITY", and the above person, firm or organization, hereinafter called "the CONSULTANT".

WHEREAS, the CITY desires to accomplish the above-referenced project; and

WHEREAS, the CITY does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the project; and

WHEREAS, the CONSULTANT has represented to the CITY that the CONSULTANT is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish contractual services to the CITY, now, therefore,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. Retention of CONSULTANT - Scope of Work. The CITY hereby retains the CONSULTANT to provide professional services as defined in this agreement and as necessary to accomplish the scope of work attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full. The scope of work shall provide a detailed listing of those tasks associated with _____ — Additional scopes of work for individual projects shall be added to this contract on a project by project basis and the text of this agreement shall supersede any conflicting provisions in such scopes of work or in any other projects performed by CONSULTANT for the CITY during the term of this agreement. The CONSULTANT shall furnish all services, labor and related equipment necessary to conduct and complete the work specified in the scopes of work, except as specifically noted otherwise in this agreement.

2. Completion of Work. The CONSULTANT shall not begin any work under the terms of this agreement until authorized in writing by the CITY. For some projects, the City and the CONSULTANT may agree to a work schedule in writing. In those instances, the CONSULTANT shall complete all work required by this agreement according to the schedule. A failure to complete the work to complete the work according to the schedule, except where such failure is due to circumstances beyond the control of the CONSULTANT, shall be deemed a breach of this agreement. The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the CITY, in the event of a delay attributable to the CITY, or because of unavoidable delays caused by circumstances beyond the control of the CONSULTANT. All such extensions shall be in writing and shall be executed by both parties.

3. Payment. The amount payable for the scope of work identified in Exhibit A and incorporated herein shall not exceed _____. The CONSULTANT shall be paid by the CITY for satisfactorily completed work and services rendered under this agreement as provided in the attached exhibits, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. The CONSULTANT shall be entitled to invoice the CITY no more frequently than once per month during the course of the completion of work and services by the CONSULTANT. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The CITY shall pay all such invoices within 45 days of submittal, unless the CITY gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the CONSULTANT agrees to perform all services contemplated by this agreement for no more than said maximum amount.

4. Changes in Work. The CONSULTANT shall make such changes and revisions in the complete work provided by this agreement as may be necessary to correct errors made by the CONSULTANT and appearing therein when required to do so by the CITY. The CONSULTANT shall make such corrective changes and revisions without additional compensation from the CITY. Should the CITY find it desirable for its own purposes to have previously

satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the CITY. This work shall be considered as extra work and shall be compensated at the rates specified in the attached exhibit(s).

5. Ownership of Work Product. Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore, including timesheets. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT. CONSULTANT shall provide copies of timesheets upon demand. Timesheets shall be maintained by all persons billing CITY for their services pursuant to this agreement.

6. Independent CONSULTANT. The CONSULTANT is an independent CONSULTANT for the performance of services under this agreement. The CITY shall not be liable for, nor obligated to pay to the CONSULTANT, or any employee of the CONSULTANT, sick leave, vacation pay, overtime or any other benefit applicable to employees of the CITY, nor to pay or deduct any social security, income tax, or other tax from the payments made to the CONSULTANT which may arise as an incident of the CONSULTANT performing services for the CITY. The CITY shall not be obligated to pay industrial insurance for the services rendered by the CONSULTANT.

7. Indemnity. The CONSULTANT agrees to hold harmless, indemnify and defend the CITY, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the CONSULTANT, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the CONSULTANT, its officers, agents, sub-consultants or employees, in connection with the services required by this agreement, provided, however, that:

A. The CONSULTANT's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the CITY, its officers, agents or employees; and

B. The CONSULTANT's obligations to indemnify, defend and hold harmless for, injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the CONSULTANT and the CITY, or of the CONSULTANT and a third party other than an officer, agent, sub-consultant or employee of the CONSULTANT, shall apply only to the extent of the negligence or willful misconduct of the CONSULTANT.

It is further specifically and expressly understood that the indemnification provided herein constitutes the CONSULTANT'S waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

8. Insurance. The CONSULTANT shall provide the following minimum insurance coverages:

A. Worker's compensation and employer's liability insurance as required by the State of Washington;

B. Commercial general liability insurance written on an occurrence basis with limits no less than \$1,000,000 combined single limit per occurrence and \$2,000,000 aggregate for personal injury, bodily injury and property damage. Coverage shall include but not be limited to: blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU) if applicable; and employer's liability.

The amounts listed above are the minimum deemed necessary by the CITY to protect the CITY'S interests in this matter. The CITY has made no recommendation to the consultant as to the insurance necessary to protect the CONSULTANT'S interests and any decision by the CONSULTANT to carry or not carry insurance amounts in excess of the above is solely that of the CONSULTANT.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the CITY will be named on all insurance as an additional insured. The CONSULTANT shall submit a certificate of insurance to the CITY evidencing the coverages specified above, together with an additional insured endorsement naming the CITY, within fifteen (15) days of the execution of this agreement. The certificates of insurance shall cover the work specified in or performed under this agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the CITY.

9. Records. The CONSULTANT shall keep all records, including timesheets, related to this agreement for a period of three years following completion of the work for which the CONSULTANT is retained. The CONSULTANT shall permit any authorized representative of the CITY, and any person authorized by the CITY for audit purposes, to inspect such records at all reasonable times during regular business hours of the CONSULTANT. Upon request, the CONSULTANT will provide the CITY with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the CONSULTANT, but the CONSULTANT may charge the CITY for copies requested for any other purpose.

10. Notices. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth in the box for the same appearing at the outset of this Agreement. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

11. Project Administrator. The Gold Bar Public Works Director shall be responsible for coordinating the work of the CONSULTANT, for providing any necessary information for and direction of the CONSULTANT's work in order to ensure that it meets the requirements of this Agreement, and for reviewing, monitoring and approving the quality and quantity of such work. The CONSULTANT shall report to and take any necessary direction from the Gold Bar Public Works Director.

12. Disputes. Any dispute concerning questions of fact in connection with the work not disposed of by agreement between the CONSULTANT and the CITY shall be referred for determination to the City of Gold Bar Mayor. The Mayor's decision in the matter shall be final and binding upon the parties to this agreement, provided, however, that if litigation is brought challenging the decision, that decision shall be subject to judicial review.

13. Termination. The CITY reserves the right to terminate this agreement at any time upon ten (10) days written notice to the CONSULTANT. Any such notice shall be given to the address specified above. In the event that this agreement is terminated by the City other than for fault on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. In the event that services of the CONSULTANT are terminated by the CITY for fault on part of the CONSULTANT, the amount to be paid shall be determined by the CITY with consideration given to the actual cost incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the CITY at the time of termination, the cost of the CITY of employing another firm to complete the work required, and the time which may be required to do so.

14. Non-Discrimination. The CONSULTANT agrees not to discriminate against any customer, employee or applicant for employment, sub-consultant, or supplier because of race, color, creed, religion, national origin, marital status, sex, age or handicap, except for a bona fide occupational qualification. The CONSULTANT understands that if it violates this provision, this agreement may be terminated by the CITY and that the CONSULTANT may be barred from performing any services for the CITY now or in the future.

15. Subcontracting or Assignment. The CONSULTANT may not assign or subcontract any portion of the services to be provided under this agreement without the express written consent of the CITY. Any sub-consultants approved by the CITY at the outset of this agreement are named on Exhibit A attached hereto and incorporated herein by this reference as if set forth in full.

16. Non-Waiver. Payment for any part of the work or services by the CITY shall not constitute a waiver by the CITY of any remedies of any type it may have against the CONSULTANT for any breach of the agreement by the CONSULTANT, or for failure of the CONSULTANT to perform work

required of it under the agreement by the CITY. Waiver of any right or entitlement under this agreement by the CITY shall not constitute waiver of any other right or entitlement.

17. Litigation. In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for Snohomish County. The parties agree that all questions shall be resolved by application of Washington law and that parties to such actions shall have the right of appeal from such decisions of the Superior Court in accordance with the law of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, in and for Snohomish County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

18. Taxes. The CONSULTANT will be solely responsible for the payment of any and all applicable taxes related to the services provided under this agreement and if such taxes are required to be passed through to the CITY by Jaw, the same shall be duly itemized on any billings submitted to the CITY by the CONSULTANT.

19. Entire Agreement. This agreement represents the entire integrated agreement between the CITY and the CONSULTANT, superseding all prior negotiations, representations or agreements, written or oral. This agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CONSULTANT:

CITY OF GOLD BAR:

By: _____
Title: _____

Mayor

ATTEST / AUTHENTICATED:

City Clerk - Treasurer

CITY OF GOLD BAR

SKATE PARK

PROJECT UNDERSTANDING

Based upon our understanding of the project requirements and discussions with the City, Prizm Land Inc. ("Prizm") has developed the following scope of services.

SCOPE OF WORK

Task 001: Project Management

This task is for general coordination and meetings on the project, including detail review/discussion meetings, in-house quality assurance, etc. This task also includes initial project setup, and compiling existing project files/records for use in accomplishing the tasks outlined below. Prizm personnel will attend and participate in meetings with you as the project progresses. Prizm will prepare monthly invoices for work performed during the previous month.

Deliverables

Monthly progress reports, invoices, QA/QC.

Task 002: 75% Design

Using LiDAR and aerial imagery, Prizm will prepare the 75% submittal for the Project. Services under this task will include:

- Kick off meeting
- 75% design Plans
 - 22"x34" design sheets
 - General notes, details, and custom details as necessary
 - Aerial images
 - Approximate locations of surface structures
- 75% specifications
- 75% engineer's estimate
- Design memo
- Site visit to confirm location of surface structures (if any)
- Project site walk with the City to confirm limits of improvements

Deliverables

75% Design Plans (PDF)

75% Engineers Estimate (PDF)

75% Specifications (PDF)

Design Memo (PDF)

Task 003: Final Design

Based on City comments from the 75% submittal, Prizm will complete the final design submittal including:

- 75% Review meeting with the Town
- Incorporating the Town's 75% design comments into the contract documents
- Final design plans
- Final engineer's estimate
- Final specifications
- Internal QA/QC review

Deliverables

Final Design Plans (PDF)

Final Engineer's Estimate (PDF)

Final Specifications (PDF)

Task 004: Bidding & Award Services

Prizm will provide consultation services during the bidding and award process, including:

- Address questions from prospective bidders
- Issue addendums, as necessary
- Upload documents to BXWA
- Submit advertisements to local newspapers
- Generally assist the Town during the bidding process as needed
- Conduct bid opening, and issue notice of apparent low bidder
- Verify Contractor documentation and issue notice of award

Deliverables

Addenda, if necessary

Notice of award

Assumptions and Exclusions

- Fees for advertising shall be paid by the Agency

GENERAL ASSUMPTIONS AND NOTES

Project Understandings and Assumptions:

In preparing the proposal, we have assumed the following:

1. Scope and fees outlined herein are based on the Project Understanding included with this proposal as well as the following information (any changes to these documents may result in changes to the fees):
 - a. Correspondence prior to the effective date of this Agreement.
2. Prizm will not pay any Agency fees on behalf of the Client. This includes any fees associated with permits and easements.
3. Obtaining any offsite easements or right-of-entry including permanent easements (if required) will be the responsibility of the Client.
4. The fees stated above do not include reimbursable expenses such as large format copies (larger than legal size), mileage, and plots. These will appear under a separate task called EXPENSES and will be billed in accordance with Prizm's current Rate Sheet.
5. Time and expense items are based on Prizm's current hourly rates.
6. These fees stated herein are valid if accepted within 30 days of the date of the proposal.
7. Prizm reserves the right to adjust Task/Project fees per current market conditions for tasks not started within a year of contract execution.
8. Prizm reserves the right to move funds between approved tasks 001-002 as necessary based on approved scope of work provided the overall budget is not exceeded. Client Project Manager will be notified if funds are shifted.
9. Project stops/starts and significant changes to the Project Schedule may result in changes to the fees provided above and a separate fee proposal will be provided.
10. Client revisions requested after the work is completed will be billed at an hourly rate under a new task called Client Requested Revisions. A fee estimate can be provided to the Client prior to proceeding with the revisions.
11. Should Prizm be asked or required to support Client through project appeals or legal challenges, this work will be billed at an hourly rate under a new task called Client Support. A fee estimate can be provided to the Client prior to proceeding with this work.
12. If the Client requests Prizm's assistance in complying with any public records request, including without limitation providing copies of documents and communications, Client will pay Prizm's hourly fees and costs incurred in providing such assistance at then-current rates. Such fees and costs will be billed as a separate task and will be in addition to the maximum or total fees and costs stated in the agreement to which this scope of work is attached.

ADDITIONAL SERVICES

Prizm has the capability to provide services outside of the agreed upon Scope of Services. These services would be considered Additional Services and would be provided on a Time and Materials basis and billed in accordance with the attached Professional Services Fee Schedule. Additional Services will only be provided at the written request of the Client.



City of Gold Bar Skate Park Project

Job Number: 240028.03

Prepared By: Mohamed Elswawi, EIT

Date: 2/27/2026

Checked By: Rob Dahn, PE

Task #	Base Tasks	Project Manager	Engineer	Designer	Total Hours	Total Fee	Fee Type
		\$220/hr Hours	\$180/hr Hours	\$200/hr Hours			
001	Project Management	12	8	0	20	\$4,080	Not to Exceed
002	75% Design	17	40	16	73	\$14,140	Not to Exceed
003	Final Design	15	18	16	49	\$9,740	Not to Exceed
004	Bidding & Award Services	8	8	0	16	\$3,200	Not to Exceed
	Expenses					\$500	Not to Exceed
	Total Hours	52	74	32	158		
	Prizm Personnel	\$11,440	\$13,320	\$6,400		\$31,660	

001 Project Management		Project Manager	Engineer	Designer	Total Hours	
Item #	Description	\$220/hr	\$180/hr	\$200/hr		
		Hours	Hours	Hours		
1	Project Meetings	4	4		8	
2	Monthly Invoices/Progress Reports	4			4	
3	General Project Coordination	4	4		8	
Total Hours		12	8	0	20	
Total Fee		\$2,640	\$1,440	\$0		\$4,080

002 75% Design		Project Manager	Engineer	Designer	Total Hours	
Item #	Description	\$220/hr	\$180/hr	\$200/hr		
		Hours	Hours	Hours		
1	Kick Off Meeting	2	2		4	
2	75% Design Plans	4	8	16	28	
3	75% Engineer's Estimate	2	8		10	
4	75% Specifications	4	12		16	
5	Design Memo	1	2		3	
6	Site Visit		4		4	
7	Project Walkthrough	4	4		8	
Total Hours		17	40	16	73	
Total Fee		\$3,740	\$7,200	\$3,200		\$14,140

003 Final Design		Project Manager	Engineer	Designer	Total Hours	
Item #	Description	\$220/hr	\$180/hr	\$200/hr		
		Hours	Hours	Hours		
1	Review Meeting	2	2		4	
2	Final Design Plans	2	6	16	24	
3	Final Engineer's Estimate	1	4		5	
4	Final Specifications	2	6		8	
5	QA/QC	8			8	
Total Hours		15	18	16	49	
Total Fee		\$3,300	\$3,240	\$3,200		\$9,740

004 Bidding & Award Services		Project Manager	Engineer	Designer	Total Hours	
Item #	Description	\$220/hr	\$180/hr	\$200/hr		
		Hours	Hours	Hours		
1	Addenda (if necessary)	2	2		4	
2	BXWA Upload and Bid Advertisement		2		2	
3	Answer Bidder Questions	2			2	
4	Bid Opening	2	2		4	
5	Verify Contractor Documentation	2	2		4	
Total Hours		8	8	0	16	
Total Fee		\$1,760	\$1,440	\$0		\$3,200

Tara Dunford, CPA
Certified Public Accountant

taradunfordcpa@yahoo.com

(253) 273-4379

March 20, 2026

Lisa Stowe
City of Gold Bar
107 5th Street
Gold Bar, WA 98251

Thank you for requesting my assistance with your accounting needs. The purpose of this letter is to outline the services to be provided and give you an estimate of the time it will take.

You have requested that I assist with preparation of the financial statements for the City of Gold Bar, which comprise of the statements of fund resources and uses from cash transactions as of December 31, 2025, and the related notes to the financial statements.

My Responsibilities

The objective of the engagement is to apply accounting and financial reporting expertise to assist you in the preparation of financial statements in accordance with accounting practices prescribed by the State Auditor's Budgeting, Accounting and Reporting System (BARS) manual.

I will conduct the engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence and due care.

I am not required to, and will not, verify the accuracy or completeness of the information you provide for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, I will not express an opinion or a conclusion nor provide any assurance on the financial statements.

The engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the city or noncompliance with laws or regulations. However, I will inform you of any material errors or evidence of fraud that come to my attention during the financial statement preparation process. In addition, I will inform you of any evidence or information that comes to my attention during the preparation process regarding any wrongdoing within the city or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. I have no responsibility to identify and communicate deficiencies or material weakness in your internal control as part of this engagement.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that my responsibility is to assist you in the preparation of the financial statements in accordance with BARS requirements. You have the following overall responsibilities that are fundamental to my undertaking the engagement in accordance with Statements on Standards for Accounting and Review Services:

1. The prevention and detection of fraud.
2. To ensure that the city complies with the laws and regulations applicable to its activities.
3. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgements, you provide to me for the engagement.
4. To provide me with –
 - a. Documentation and other related information that is relevant to the preparation and presentation of the financial statements.
 - b. Additional information that I may request for the purpose of preparing the financial statements.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

Other Relevant Information

I am solely responsible for performing the engagement. Work will be performed remotely from my home office. Fees for these services will be based on the actual time spent at an hourly rate of \$205/hour, not to exceed 10 hours or \$2,050. fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before additional costs are incurred. Invoices for these fees will be rendered each month as work progresses and are payable within 30 days. This agreement shall expire on December 31, 2026.

I appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of the engagement. If you have any questions, please let me know. If you acknowledge and agree with the terms of the engagement as described in this letter, please sign and return.

Sincerely,

Tara Dunford

Tara Dunford, CPA

Acknowledged:

City of Gold Bar

Lisa Stowe, Clerk-Treasurer

Date

City of Gold Bar

EST. 1910



107 – 5th Street, Gold Bar, WA 98251

City of Gold Bar Council Meeting Minutes Tuesday, March 17, 2026

CALL TO ORDER, FLAG SALUTE, ROLL CALL

Mayor Yarbrough called the meeting to order at 7:00 pm. The meeting was held in hybrid format. Present in person were Councilmembers Craig, Lie, Martin, and Russell. Staff members present in person included Chief Whalen, Public Works Director Norris, and Clerk Stowe. Office Manager Beaston attended via Zoom. Councilmember Sears was absent and had previously informed the council.

AGENDA APPROVAL

Councilmember Russell moved to adopt the agenda as presented and with a second by Councilmember Martin, the motion carried with Councilmember Lie voting opposed.

MAYOR'S REPORT

Mayor Yarbrough updated the council on Tree Board activities including the upcoming Arbor Day tree planting. There was brief discussion regarding trees planted previously. He then said the Small Business Association (SBA) met in council chambers to help local businesses with flood damage obtain low interest loans.

STAFF REPORT

Chief Whalen talked about recent calls, an upcoming award ceremony, and the recent farewell lunch for Deputy Gallina. Councilmember Lie asked if the Forest Service had hired a replacement for law enforcement yet, which they have not.

Director Norris said staff assisted Skykomish with a water main break and snow plowing. Playground equipment is being refurbished. Councilmember Craig asked for a timeframe and staff are waiting on weather, then Gateway Park will be first. Councilmember Lie asked for an update on the sidewalk project. The Department of Transportation will be going out for bids in the spring and depending on the contractor, the project may be in 2026 or 2027. Councilmember Russell asked if there was a problem with the slide in Gateway Park. There is not; staff were just checking that all parts were there.

Clerk Stowe will be looking into the possibility of contracting with a person for review of financial reports as an alternative to audits every year. She will bring information to the council. Councilmember Lie asked about the cost of the recently concluded audit, but she was not sure of the total cost.

Office Manager Beaston continues to have recurring issues with specific dogs, whose owners have been cited multiple times.

COUNCIL COMMENTS

Councilmember Lie talked about upcoming voting with Snohomish County Tomorrow regarding Woodway and Bothell, and the potential impacts to affordable housing. He talked about the planning commission the city used to have, the difficulty in filling positions, the value of planning commissions, and that he feels one should be recreated.

He also talked about short-term rentals and wants that subject back on an agenda. He then talked about the need for councilmembers to do their own research, the recently concluded audit, and the importance of reading the audit report. He said it was time to review resolution 20-01 relating to procurement. Clerk Stowe said she was already working on updating that resolution and had been for a few weeks. When she has a draft ready for action it will come to the council.

Councilmember Russell attended the farewell lunch for Deputy Gallina and said Deputy Gallina left behind a lot of well-trained officers. Councilmember Russell also said he will be attending an upcoming AWC training, and that he had talked to local businesses about the SBA opportunity.

Councilmember Craig attended the recent fire commissioners' meeting and thanked the council for excusing her recent absence.

CITIZEN COMMENTS

Zack Leake spoke about being opposed to short-term rentals, encouraged the council to review municipal codes, and talked about the importance of community and long-term neighbors, the need for housing, and that there are opportunities for short-term rentals outside of city limits.

CONTINUED BUSINESS - none

NEW BUSINESS

Resolution #26-04, Amending Financial Plan. After brief discussion, Councilmember Lie moved to approve Resolution #26-04 as presented and with a second by both Councilmembers Russell and Craig, the motion carried.

FINAL COUNCIL COMMENTS/OTHER BUSINESS

Councilmember Lie talked about small and attractive assets and the need for the council to review bills.

Councilmember Russell also talked about small and attractive assets and thanked staff for their work.

COUNCIL MINUTES APPROVAL

Councilmember Martin moved to approve the March 3rd, 2026 minutes as presented and with a second by Councilmember Russell, the motion carried with Councilmember Lie voting opposed.

VOUCHER APPROVAL

Councilmember Martin moved to approve checks numbering 39057 through 39080 with \$59,344.37 for claims and \$1,000.00 for payroll and taxes, for a grand total of \$60,344.37 and with a second by Councilmember Russell, the motion carried.

ADJOURNMENT

Councilmember Russell moved to adjourn the meeting and with a second by Councilmember Craig, the motion carried and the meeting was adjourned at 7:36 pm.

Steve Yarbrough, Mayor

Lisa Stowe, Clerk/Treasurer

CHECK REGISTER

City Of Gold Bar

Time: 09:40:25 Date: 04/02/2026

03/18/2026 To: 04/07/2026

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
603	03/31/2026	Payroll	7	EFT	Coastal Community Bank	10,764.01	941 Deposit for Pay Cycle(s) 03/31/2026 - 03/31/2026
589	03/31/2026	Payroll	7	39081	Richard L Baker	4,584.81	
590	03/31/2026	Payroll	7	39082	Denise J Beaston	3,648.10	
591	03/31/2026	Payroll	7	39083	Krystal Craig	5.96	
592	03/31/2026	Payroll	7	39084	Lance Hunt	3,725.53	
593	03/31/2026	Payroll	7	39085	Anthony Johnson	3,330.04	
594	03/31/2026	Payroll	7	39086	Chuck Lie	90.96	
595	03/31/2026	Payroll	7	39087	Florence D Martin	90.96	
596	03/31/2026	Payroll	7	39088	Richard D Norris	5,857.94	
597	03/31/2026	Payroll	7	39089	Lee Russell	90.96	
598	03/31/2026	Payroll	7	39090	Jordan Sears	90.96	
599	03/31/2026	Payroll	7	39091	Arthur Stowe	2,505.49	
600	03/31/2026	Payroll	7	39092	Lisa M Stowe	5,329.19	
601	03/31/2026	Payroll	7	39093	Steven Yarbrough	909.63	
602	03/31/2026	Payroll	7	39094	Vimly Benefit Solutions AWC Employee Ben.trust	8,905.85	Pay Cycle(s) 03/31/2026 To 03/31/2026 - WDS PLAN D; Pay Cycle(s) 03/31/2026 To 03/31/2026 - Basic Life; Pay Cycle(s) 03/31/2026 To 03/31/2026 - HealthFirst; Pay Cycle(s) 03/31/2026 To 03/31/2026 - VSP
607	03/31/2026	Claims	7	39095	Coastal Community Bank		check should have been EFT
604	03/31/2026	Payroll	7	E39096	Dept Of Retirement Systems		should not have been marked EFT
605	03/31/2026	Payroll	7	39097	MissionSquare	75.00	Pay Cycle(s) 03/31/2026 To 03/31/2026 - ICMA
611	03/31/2026	Payroll	7	39098	Dept Of Retirement Systems	4,400.57	Pay Cycle(s) 03/31/2026 To 03/31/2026 - PERS 2
612	03/31/2026	Payroll	7	39099	Dept Of Labor And Industries	3,090.23	1ST Quarter L&I: 01/01/2026 - 03/31/2026
613	03/31/2026	Payroll	7	39100	Employment Security Dept	235.93	1st Quarter Unemployment: 01/01/2026 - 03/31/2026
621	04/01/2026	Payroll	7	39101	Employment Security PFML	998.05	Pay Cycle(s) 01/01/2026 To 03/31/2026 - PFML
622	04/01/2026	Payroll	7	39102	Employment Security WA Cares Fund	717.30	Pay Cycle(s) 01/01/2026 To 03/31/2026 - Long Term Care
623	04/07/2026	Claims	7	39103	AM Test, Inc.	40.00	
624	04/07/2026	Claims	7	39104	AWC	162.90	Councilmember Leaders Exchange
625	04/07/2026	Claims	7	39105	Amazon Capital Services	243.08	
626	04/07/2026	Claims	7	39106	City Of Everett	520.00	
627	04/07/2026	Claims	7	39107	Bradley & Elise Cole	126.00	Utility Reimbursement
628	04/07/2026	Claims	7	39108	Malcolm Cunningham	26.23	Park Roses
629	04/07/2026	Claims	7	39109	Dept Of Corrections	283.07	
630	04/07/2026	Claims	7	39110	John Galt	1,239.00	CUP
631	04/07/2026	Claims	7	39111	Global Industrial	426.08	
632	04/07/2026	Claims	7	39112	Gold Bar Geek	2,275.28	
633	04/07/2026	Claims	7	39113	Kelley Create Co.	201.32	
634	04/07/2026	Claims	7	39114	Charles H Myers	202.90	March 2026
635	04/07/2026	Claims	7	39115	Pacifica Law Group	368.00	
636	04/07/2026	Claims	7	39116	Planet Technology	4,629.34	Annual Fee
637	04/07/2026	Claims	7	39117	Puget Sound Energy	240.14	
638	04/07/2026	Claims	7	39118	Sno County District Court	351.61	February 2026 Amended
639	04/07/2026	Claims	7	39119	Sno County PUD	2,196.95	

CHECK REGISTER

City Of Gold Bar

Time: 09:40:25 Date: 04/02/2026

03/18/2026 To: 04/07/2026

Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
640	04/07/2026	Claims	7	39120	Sno County Sheriff's Office	784.58	
641	04/07/2026	Claims	7	39121	State Auditor's Office	1,340.45	
642	04/07/2026	Claims	7	39122	Verizon Wireless	234.65	
643	04/07/2026	Claims	7	39123	WA State Treasurer	1,174.27	
644	04/07/2026	Claims	7	39124	Zipty Fiber	49.91	
645	04/07/2026	Claims	7	39125	Zipty Fiber	303.86	
646	04/07/2026	Claims	7	39126	Zipty Fiber	140.39	
647	04/07/2026	Claims	7	39127	Zipty Fiber	57.63	
652	04/07/2026	Claims	7	39128	Sno County Auditor	72.00	Four Liens
						32,462.33	
						4,500.58	
						27,041.56	
						11,958.37	
						1,174.27	
						77,137.11	Claims: 17,689.64 Payroll: 59,447.47

Approve by the Finance Committee DATED this _____ day of _____ 2026.

Finance Group	Finance Group	Finance Group
Finance Group		

WE, the members of the City Council of the City of Gold Bar Washington, DO HEREBY certify that the merchandise or services listed above have been received and that the above listed vouchers and the related checks have been reviewed and approved for payment by the City of Gold Bar City Council.
 ATTEST:

Councilmember	Councilmember
Councilmember	Councilmember
Councilmember	Mayor
Clerk./Treasurer	DATED this _____ day of _____ 2026.