
520 -- Procurement Policy

1.0 PURPOSE

This Procurement Policy establishes the approval procedures for purchases by employees of the Des Moines Pool Metropolitan Park District (District), establishes purchasing authority levels, purchasing procedures and reporting requirements.

2.0 GENERAL RESPONSIBILITIES

- 2.1. **Board of Commissioners.** The Board is responsible for establishing policy direction for the District under Washington State law (RCW 35.61.135).
- 2.2. **District General Manager or Board Designee.** The District General Manager or Board Designee has the limited authority delegated pursuant to this Policy.

3.0 DEFINITIONS

- 3.1. **Budget.** The formally adopted annual expense/revenue plan of the District
- 3.2. **Emergency.** Unforeseen circumstances beyond the control of the District that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. (RCW 39.04.280(3)).
- 3.3. **Designated Purchasing Cooperatives.** The following interlocal cooperative purchasing arrangements are authorized for use by the District in accordance with the requirements of the sponsoring agencies.
 - 3.3.1. **KCDA.** The King County Directors' Association "KCDA" is a purchasing cooperative established by Washington's public school districts. The KCDA allows the District to purchase materials, equipment and supplies through the cooperative pursuant to the interlocal cooperation act (Chapter 39.34 RCW) in a manner that complies with statutory bidding and procurement requirements.
 - 3.3.2. **State Purchasing Cooperative.** The State Purchasing Cooperative is established by the State of Washington, Department of General Administration and establishes a purchasing cooperative that allows the District through the interlocal cooperation act (Chapter 39.34 RCW) to purchase materials, equipment and supplies in accordance with statutory bidding and procurement requirements.
 - 3.3.3. **Washington Department of Information Services.** The Washington Department of Information Services is authorized under chapters 43.105 and 39.34 to provide information services to state and local governments. Purchases of software and information services through the Washington Department of Information Services complies with the statutory bidding and procurement requirements.
- 3.4. **Bid Exemptions.** RCW 39.04.280 establishes specific exemptions from the statutory bidding requirements in the following limited situations: 1) Purchases that are clearly and legitimately limited to a single source of supply; 2) Purchases involving special facilities or market conditions; and, 3) Purchases and Public Works in the event of an emergency. See 4.4 under Purchasing Authority.
- 3.5. **Lowest Responsible Bidder.** The lowest bidder on a competitively bid purchase of equipment, material or supplies or a public work be determined by consideration of the following factors:
 - 3.5.1. The ability, capacity and skill of bidder to perform the work required;
 - 3.5.2. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
 - 3.5.3. The ability of the lowest bidder to perform the work in the time specified;
 - 3.5.4. The quality of performance of previous contracts or services;

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- 3.5.5. The previous and existing compliance of the bidder with laws relating to public works; and
- 3.5.6. Such other information related to the performance of the contract as the bid solicitation deems advisable.
- 3.6. **Public Work.** Means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District, or which is by law a lien or charge on any property within the District (RCW 39.04.010).
- 3.7. **Cooperative Purchase.** A Cooperative Purchase allows the District to comply with the statutory bid requirements by purchasing off of a bid that another municipal corporation has awarded. Use of Cooperative Purchase requires an interlocal agreement with the municipal corporation that is going to bid or has gone to bid.

4.0 PURCHASING AUTHORITY

- 4.1. **Board of Commissioners.** The Board of Commissioners shall approve an annual budget that authorizes specific and general expenditures within certain budgetary limits. The Board shall be required to approve individual expenditures in excess of \$20,000.00 The Board shall also review and approve all vouchers on at least a monthly basis.
- 4.2. **District General Manager or Board Designee.** The District General Manager or Board Designee shall have authority to make expenditures within the specified budgetary line item limits adopted by the Board. Provided, however, the District General Manager or Board Designee shall obtain advance Finance Committee or Board approval prior to making any specific expenditure that exceeds \$5,000.00 in value.
- 4.3. **Finance Committee.** The Finance Committee shall have authority to approve expenditures within the specified budgetary line item limits adopted by the Board with a total cost of over \$5,000.00 and under \$20,000.00.
- 4.4. **Purchases Made Using a Bid Exemption.** Purchases made using a Bid Exemption shall require formal action of the Board of Commissioners in the form of a Resolution approving use of the Bid Exemption.
- 4.5. **Non-Budgeted Purchases.** Purchases of goods or services outside of budgetary limits shall require approval by the Board of Commissioners.
- 4.6. **Emergency Purchases.** In the event of an emergency the District General Manager or Board Designee, may approve a purchase outside of the budget if it is not feasible to obtain approval of the Board of Commissioners or Finance Committee, but not in excess of \$20,000.00. The Finance Committee may authorize purchases in excess of \$20,000.00 when prior Board approval is not feasible. All emergency purchases shall be ratified by appropriate Board action within 30 days of the purchase.

5.0 PURCHASE OF MATERIALS, EQUIPMENT AND SUPPLIES

- 5.1. **Purchases under \$40,000.** No statutory process requirements. Staff shall use commercially reasonable means to make such purchases. Staff is encouraged to obtain multiple quotes for purchases to document that the District is receiving the best possible price.
- 5.2. **Purchases over \$40,000 and under \$50,000.** Purchases must be made from using a Vendor List procedure, Designated Purchasing Cooperatives, or through a Cooperative Purchase or Bid Exemption, if applicable. If purchase cannot be made through the District's Vendor List, Designated Purchasing Cooperative, Cooperative Purchase or Bid Exemption, the purchase must be made through competitive bidding procedures as if purchase price exceeded \$50,000.
- 5.3. **Purchases over \$50,000.** Formal sealed bidding procedure must be used unless purchase can be made through a Designated Purchasing Cooperative, Cooperative Purchase or Bid Exemption.

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6.0 PUBLIC WORKS

- 6.1. **Public Works projects under \$20,000.** No statutory bidding procedures required. Staff shall use commercially reasonable means to contract for such limited public works projects (RCW 35.61.135).
- 6.2. **Public Works projects from \$20,000 - \$300,000.** The District shall establish and use the MRSC Rosters Small Works Roster or a Formal Sealed bidding procedure.
- 6.3. **Public Works projects over \$300,000.** Formal Sealed bidding shall be used except in case of an emergency.

7.0 SERVICES – Architect and Engineer.

The District shall use the RFQ process established under chapter 39.80 RCW prior to retaining the services of architects and engineers.

8.0 SERVICES – Telecommunications and Data Processing.

If the purchase cannot be made through a Designated Purchasing Cooperative, Cooperative Purchase or Bid Exemption the District shall use the competitive negotiation procedures established under RCW 39.04.270 when purchasing telecommunication and data processing services.

9.0 PURCHASING RECREATION SERVICES FROM INDEPENDENT CONTRACTORS.

Purchasing services from instructors, teachers, artists and other independent contractors engaged to teach classes, seminars, or programs as part of a District sponsored program have unique characteristics. Customer preference, teaching method, personality of the instructor, teacher or artist greatly influences the customer and their willingness to enroll in a class or seminar and pay the requisite fees. Consequently, in the acquisition of these and similar services, there is no requirement for bidding or quotation unless the purchase price/acquisition cost exceeds \$50,000 in a calendar year.

10.0 SERVICES – OTHER

No statutory procedures are required. District staff shall use commercially reasonable means to identify and contract with service providers.

11.0 FORMAL SEALED BIDDING PROCEDURES.

- 11.1. **Notice.** Written Notice for competitively bid contracts and purchases shall be published in a newspaper of general circulation within the District at least 13 days in advance of the bid opening. Advertisements for bids should include the following minimum items:
 - 11.1.1. Title of the project.
 - 11.1.2. Nature and scope of the work.
 - 11.1.3. Where contract documents (plans, specifications) may be obtained.
 - 11.1.4. Cost to obtain a set of contract documents.
 - 11.1.5. Place, date, and time that bids are due.
 - 11.1.6. District contact information.
 - 11.1.7. Statements that the District retains the right to reject any or all bids, and to waive minor irregularities in the bidding process
- 11.2. **Instructions to Bidders.** Instructions to Bidders shall include a complete description of the legal requirements to submit a bid.
- 11.3. **Bid Specifications.** Bid specifications should incorporate a clear and accurate description of the technical requirements for the material, product, or service to be purchased. Such descriptions should not contain features that unduly restrict competition but should be designed to meet the needs of the District.

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- 11.4. **Award.** The contract should be awarded to the lowest responsive and Lowest Responsible Bidder whose bid meets the requirements and criteria included in the invitation for bids and bid specifications.
- 11.5. **Cancellation.** An invitation for bids may be cancelled. Additionally, the District (at its sole discretion) may choose to reject any or all bids, in whole or in part. An invitation for bids may be canceled at the discretion of the District General Manager or Board Designee.

12.0 WRITTEN CONTRACTS / WHEN REQUIRED

- 12.1. A written contract is required for the following types of purchases.
 - 12.1.1. All lease or rental agreements for equipment or real property
 - 12.1.2. All intergovernmental agreements
 - 12.1.3. All services with the exception of minor services such as repairs, etc., where academic credentials or professional expertise are not required
 - 12.1.4. Cooperative purchasing agreements
 - 12.1.5. Maintenance and licensing agreements (except licenses and/or maintenance agreements for standardized, non-customized, software or hardware)
 - 12.1.6. Written Contract Required for Purchase of Equipment, Materials and Supplies with a cost over \$20,000
 - 12.1.7. Other contracts/agreements deemed necessary by the Board.

13.0 RECORDS MANAGEMENT.

- 13.1. The District General Manager or his or designee shall maintain records of all contracts awarded and all contractor/consultants contacted in the process.

14.0 UNAUTHORIZED PURCHASES.

- 14.1. No District employee should purchase or contract for any supplies, material, equipment or contractual service or make any contract within the purview of this policy other than through the District General Manager or Board Designee. Should a District employee violate this trust and the District experiences a financial loss, then the District shall be entitled to recover the full amount of such loss from the employee and may terminate employment.

15.0 ISSUANCE, USE AND CONTROL OF CREDIT CARDS

- 15.1. The District has the authority under RCW 42.24.115 and RCW 43.09.2855, to establish a credit card account and the issuance of credit cards. The credit limit per card shall be established by the issuing bank, and shall not exceed \$5,000 per card.
- 15.2. The credit cards shall be issued to those personnel that are authorized by action of the Board of Commissioners and shall be subject to the terms and conditions stated in RCW's 42.24.080, 42.24.115, 43.09.2855 and in this policy.
- 15.3. The District authorizes the use of the credit card for the following purposes:
 - 15.3.1. The District credit card may be used for travel expense and expenses incurred in attending authorized meetings, seminars and conferences authorized in advance by the District General Manager or Board Designee or the Board of Commissioners.
 - 15.3.2. The purchase of authorized District supplies and equipment from suppliers where the District cannot establish a charge account authorized by the Board of Commissioners or the District General Manager or Board Designee.
 - 15.3.3. The user of the credit card shall comply with the following procedures:
 - (a). The original, detailed receipt for purchases of supplies and equipment must be submitted to the District within two (2) business days of the date of the transaction. The receipt should clearly identify the purchaser and the purpose of the use of the supplies and equipment.

- (b). The charge slip(s) and a fully itemized Travel Expense Form for travel or meeting expenses must be submitted within ten (10) business days after the meeting or the completion of travel.
- (c). The monthly billing for all charges on the credit card account must be submitted to the Board of Commissioners for approval of payment at the Board of Commissioners meeting following the receipt of the billing.
- (d). Any charges against the charge card not properly identified on the Travel Expense Form or not allowed following the audit required under RCW42.24.080 shall be the sole responsibility of the card user of the employee or Commissioner responsible for the card either by check, cash, or salary deduction.
- (e). Per RCW 42.24.115, if charges are not repaid before the charge card bill is due and payable, the District shall have the right to withhold any and all funds payable or to become payable up to an amount of the disallowed charges and interest.

15.4. Card Use Restrictions

- 15.4.1.** No District credit card may be used to obtain a cash advance. The holder of the card must comply with the requirements of RCW 42.24.115(3). Failure to comply with the statutory or policy provisions shall result in a forfeiture of the credit card. All District credit cards are subject to recall by the District General Manager or Board Designee or the Board of Commissioners at any time and for any reason.
- 15.4.2.** No employee of the District shall use the District issued purchasing card for non-District business. Any employee who violates this policy shall be subject to disciplinary action up to and including termination and shall be billed for all charges on the purchasing card including penalty fees and interest. The District General Manager or his or her designee is authorized and directed to make payroll deductions to recover any unauthorized charges.

15.5. Return of Cards

The Cardholder must immediately return the purchasing card to his or her supervisor upon termination or upon request by his or her supervisor.