Sponsored by: Councilmember Ryan Mello

Requested by: County Council

ORDINANCE NO. 2023-62

An Ordinance of the Pierce County Council Amending Chapter 2.106 of the Pierce County Code, "Purchasing."

Whereas, Chapter 2.106 of the Pierce County Code (PCC), "Purchasing," implements the requirements of Section 9.15 of the Pierce County Charter and sets forth rules and regulations applicable to the purchase or lease of material, equipment, services, and supplies; and

Whereas, revisions to the current procurement and contracting rules are necessary to align terminology with state law; to clarify and update existing regulations; to provide for internal Code consistency; and to increase efficiency of certain purchases; **Now Therefore,**

BE IT ORDAINED by the Council of Pierce County:

<u>Section 1</u>. Chapter 2.106 of the Pierce County Code, "Purchasing," is hereby amended as shown in Exhibit A, which is attached hereto and incorporated herein by reference.

1	Section 2. The Council intends to periodically review the impact of changes to County procurement thresholds in Chapter 2.106 PCC. To support this review, the
3 4	Finance Department shall use the best available data and report to the Council annually by December 31.
5	
6	a st
7	PASSED this 31 day of October, 2023.
8	
9	
10	ATTEST: PIERCE COUNTY COUNCIL
11	Pierce County, Washington
12	
13	
14	Denise De Shis
15	Denise D. Johnson Ryan N. Mello
16	Clerk to the Council Council Chair
17	K
18	
19	
20	Bruce F. Dammeier
21	Pierce County Executive
22	Approved
23	2023.
24	2023.
25	Date of Publication of
26	
27 28	Notice of Public Hearing: (VCOV) 5, 2005
29	Effective Date of Ordinance: November 19, 2023
30	Lifective Date of Ordinance.
JU	

prepared, awarded, executed, and finally accepted upon completion of work by the Director of Planning and Public Works Department, in accordance with procedures set

- Within the limits of available technology and personnel capabilities:
 - 1. The Agent shall develop a system to collect information concerning the type, cost, quality, and annually consumed quantity of commonly used supplies, materials, and equipment and shall purchase such items in quantities for a period of time as determined by County-wide demand, volume purchase cost savings, storage costs, unique market conditions and other available information clearly indicating a
 - 2. The Agent shall develop a system to maintain current records of the amounts
 - 1. Establish and maintain all credit arrangements with appropriate vendor(s) or credit card companies.
 - 2. Promulgate policies and procedures governing their use, including but not limited to:
 - a. Authorization, distribution, and credit limits associated with credit cards;
 - b. Revocation for misuse:

38 39

40

41 42

43

44 45

46 47

c. System for control of payment process.

Personal use of official credit cards is prohibited. Cash advances on credit cards are prohibited. Cards must be surrendered to the Department of Finance if used in a manner which is inconsistent with County policy.

10

11 12 13 14 15

21

16

30

31

32

38

39

40

46

47

2.106.035 **Competitive Bidding for Public Works Projects.**

All Public Works construction shall be performed following competitive bidding by independent contractors as required by state law. when the projected value of a project exceeds \$25,000.00. (Pierce County Charter Section 9.15 as amended November 28, 1987.)

2.106.040 Procedure for Purchases of Tangible Personal Property Materials, Equipment, Supplies, and Public Works.

For all purchases of tangible personal property, in excess of \$25,000.00 materials, equipment, and supplies, and public works purchases of \$10,000.00 or more, or such future in excess of the limits as may be set by State Law state law, the Agent or designee shall prepare bid specifications and advertise for bids as required by State state law. In addition, the Agent shall mail Invitations to Bid to a sufficient number of prospective bidders to elicit adequate competition, such vendors being drawn from established vendor lists and from any other source thought to be of advantage to the County.

The Agent shall have the authority to extend contracts entered into under the provisions of this Section upon the same terms, conditions, and consideration for a period of up to five years, when the Agent shall deem such extensions to be in the best interest of Pierce County.

2.106.045 Procedure for Purchases of Tangible Personal Property Materials, Equipment or Supplies -- Office of the Pierce County Council.

The Chair of the Council or designee shall be the authorizing authority for purchases of tangible personal property materials, equipment and supplies to support the duties and functions of the Office of the Pierce County Council; provided, that purchases of tangible personal property materials, equipment or supplies in excess of \$5,000.00 shall also require approval by the Rules and Operations Committee. Such purchases shall be funded from the appropriation for the Office of the Pierce County Council except as otherwise designated by Ordinance and shall otherwise meet the requirements of this Chapter.

For all purchases of tangible property materials, equipment and supplies by the Office of the Pierce County Council in excess of \$25,000, or such future the limits as may be set by State state law, the Agent or designee shall prepare bid specifications and advertise for bids as required by State state law. In addition, the Agent shall mail Invitations to Bid to a sufficient number of prospective bidders to elicit adequate competition, such vendors being drawn from established vendor lists and from any other source thought to be of advantage to the County.

2.106.050 Procedure for Solicitation and Purchase of Service Contracts.

- Annually, the Agent shall determine the County's anticipated requirements for any category or type of service and shall publish an announcement of these requirements. If the County later requires any further, previously unpublished services, it shall publish additional announcements on each occasion when such services are required. All such publications shall include a request that firms interested in providing those services to the County submit a statement of qualifications and performance data to be placed on
- B. Prior to entering into a service-contract for an amount of \$25,000.00 or greater, the requesting department or the Agent, when appropriate, shall evaluate all statements on file, together with those that may be submitted by other firms and shall conduct discussions with one or more firms regarding anticipated concepts and the relative utility of alternative methods of approach. Written criteria shall then be developed in

consultation with the requesting department, which will be used to determine which firm to recommend for contract award. Such criteria may include the following:

- 1. Quality of past performance;
- 2. Known and documented expertise;
- 3. Documentation, as required, and demonstration of financial capability to perform required work;
- 4. Cost of performance, where appropriate.
- C. Prior to entering into service contracts between \$25,000.00 and \$25,000.0049,999.00, at least three vendors, if possible, shall be contacted and provided with the scope of work, including the project description, with responses being submitted, either in writing or by phone. The requesting department or the Agent, when appropriate, shall rank the proposals submitted based on the criteria set forth in subsection B of this Section and shall award to the vendor best meeting the needs of the County. In the event that a satisfactory contract cannot be negotiated with the highest ranked contractor, the requesting Department or Agent shall then begin negotiations with the next highest ranked contractor.
- D. Prior to entering into service contracts for exceeding \$25\$50,000.00 or greater, the Executive or designee, or Council as set forth in subsection G of this Section, shall:
 - 1. Develop specifications with a project description in the form of a Request for Proposal in concert with the requesting County department;
 - 2. Publicly advertise the Request for Proposals and include the name of a contact person from whom the project specifications shall be available;
 - 3. Rank the proposals submitted based on the criteria set forth in subsection B. of this Section and award the contract in a manner that is in the best interest of the County; provided, that in the event the County fails to negotiate satisfactory terms with the highest ranked proposed contractor, the Executive shall then begin negotiations with the next highest ranked contractor.
- E. The selection of a Vendor for Architectural and Engineering services may be accomplished by following the procedures set forth by State state law Chapter RCW 39.80 RCW.
- F. Exceptions to the competitive solicitation provisions of this Section:
 - 1. Services of Special Deputy Prosecuting Attorneys.
 - 2. Services of attorney(s) appointed pursuant to legal mandate by the Courts or the Department of Assigned Counsel.
 - 3. Services (e.g., professional, forensic, technical, consultant) deemed necessary by the Courts or the Department of Assigned Counsel to provide effective assistance of counsel and services deemed necessary by the Prosecuting Attorney to provide effective legal representation.
 - 4. Appointment of service providers whose selection is solely within the discretion of the Courts.
 - 5. Services of a Hearing Examiner appointed pursuant to PCC 1.22.060.
 - 6. Single Source or Special Facilities, Services, or Market Conditions. Services which are clearly and legitimately limited to a single known source of supply, and contracts involving special facilities, services, or market conditions may be acquired through direct negotiation with a single vendor.

G. Council Service Contracts. The Pierce County Council shall follow the procedures in this Chapter when contracting for services to support the duties and functions of the Office of the Pierce County Council. The Chair of the Council, or designee, shall be authorized to enter into contracts and contract modifications for such services when approved by the Rules and Operations Committee. Council service contracts shall be funded from appropriations for the Office of the Pierce County Council or Special Projects. Special Projects appropriations for Council service contracts shall be designated through an appropriation Ordinance. The Executive or designee shall have the authority to modify service contracts to accomplish the original scope of services rendered to the County when it is deemed to be in the best interest of Pierce County; provided, the Executive or designee shall make a quarterly report to the Council's Rules and Operations Committee regarding all instances where additional compensation paid to the vendor exceeded 50 percent of the original contract amount and the original contract amount was \$25,000.00 or greater.

2.106.060 Exceptions to Competitive Formal Sealed Bid Procedures.

- A. Small Purchases.
 - 1. In accordance with the provisions of RCW 36.32.245 and 36.32.25036.32.235, the Agent is granted authority to let any contract, lease, or purchase of materials, equipment, or supplies, services involving less than \$25,000.00 and public works under \$10,000.00, at and below the limits set forth in state law without advertisement and without formal competitive bidding; to prevent the artificial division of purchase requirements to constitute a small purchase under this Section, the Agent shall accumulate and consolidate purchase orders County wide, to the greatest extent possible, based on the ordering department's and the Agent's best knowledge of known quantity requirements at a known time. The Agent shall adopt procedures to implement this subsection for purchases or leases of material, equipment, services, and supplies of less than \$5,000.00, and for public works purchases less than \$10,000.00.
 - 2. In the case of purchases, except services and public works, for an amounts as set forth in state law between \$5,000.01 and \$10,000.00, the following procedures shall be followed:
 - a. Telephone and/or written quotations shall be obtained from at least three vendors, if possible, to assure establishment of a competitive price and to award such contract to the lowest responsible bidder.
 - b. Immediately after the award is made, the bid quotations or proposals obtained shall be recorded and opened to public inspection.
 - 3. In the case of purchases, except services and public works in amounts as set forth in state law from \$10,001.00 to \$25,000.00, the Agent shall follow the following procedures:
 - a. Requests for Quotation will be prepared and mailed to three or more vendors, if possible, such vendors being drawn from established vendor lists and from any other source thought to be of advantage to the County.
 - b. The Requests for Quotation shall be opened at a place and manner as specified by the Agent.
 - c. Award will be made to the lowest responsible bidder.



- d. Immediately after the award is made, the bid quotations shall be recorded and opened to public inspection.
- 4. In the case of Consistent with limits set forth in state law for public works purchases, from \$10,000.00 to \$300,000.00 the procedures for small works contract awards process may be used.
- 5. Pierce County may utilize any changes to bid limits set forth in State state law.
- B. Single Source or Special Facilities, Services, or Market Conditions. Purchases which are clearly and legitimately limited to a single known source of supply, and purchases involving special facilities, services, or market conditions may be acquired through direct negotiation with a single vendor.
- C. Used Equipment.
 - 1. The purchase of used equipment from private vendors is generally considered to be a purchase falling within the exceptions set forth in subsection B of this Section. A County department desiring to purchase used equipment shall be responsible to determine what used equipment is available on the market and properly record this search. The purchase request must fully justify the acquisition of used equipment.
 - 2. In the case of purchases in excess of \$25,000.00, notice of the intention to purchase the used equipment, a description of the equipment, and a deadline for submitting bids to sell, shall be advertised by publishing a notice at least one week prior to said deadline in the legal newspaper or appropriate trade journal. The notice so published shall state that anyone desiring to sell to the County similar used equipment should contact the Agent for full requirements of the equipment, and then submit a bid in writing to the location specified by the Agent stating the equipment offered; the sale price; the owner's name, address, and phone number; and time and place where the equipment can be seen.
 - 3. The Agent, with the assistance of the requesting department, shall review all bids and make an award as best meets the needs of the County. On bids exceeding \$50,000.00, the Executive shall make the award.
- D. Service contracts subject to the provisions of PCC 2.106.050.
- E. Credit Card Purchases. The Agent shall:
 - 1. Establish and maintain all credit arrangements with appropriate vendor(s) or credit card companies.
 - 2. Promulgate policies and procedures governing their use, including but not limited to:

 a. Authorization, distribution, and credit limits associated with credit cards;
 - b. Revocation for misuse:
 - c. System for control of payment process.

Personal use of official credit cards is prohibited. Cash advances on credit cards are prohibited. Cards must be surrendered to the Department of Finance if used in a manner which is inconsistent with County policy.

2.106.426 Single Source or Special Facilities, Services, or Market Conditions.

For any purchase or service to be acquired under PCC 2.106.050 F.6. or 2.106.060 B., the Agent must make the proposed acquisition, along with its documented justification, available for public inspection on a single location on the County's website not less than ten working days prior to the proposed starting date of the contract. If any business entity can demonstrate that the requirements of PCC 2.106.050 F.6. or 2.106.060 B. have not been met during that ten work day period, the acquisition must be competitively procured.