



ORDINANCE NO. 28651

1 AN ORDINANCE relating to the Purchasing Code; amending Chapter 1.06 of
2 the Tacoma Municipal Code, relating to Administration, to update the
3 formal bid and governing body threshold, clarify language related to the
4 authorization to pay recurring software license and maintenance fees,
5 standardize contract amendment authority, clarify parameters for
6 governing body approval of Citywide contracts; and make other minor
7 clarifying updates and changes.

8 WHEREAS Chapter 1.06 of the Tacoma Municipal Code ("TMC")
9 establishes the process for the procurement of goods and services, and

10 WHEREAS the current formal bid and governing body approval threshold,
11 last updated in 2009, is \$200,000; it is estimated that increasing the current
12 threshold from \$200,000 to \$500,000 will reduce the number of contracts going
13 before the City Council and/or Public Utility Board ("PUB") by half, while still
14 preserving governing body discretion for approval of over two-thirds of annual
15 contract dollars awarded, and

16 WHEREAS the City increasingly relies on subscription or cloud-based
17 software, in addition to on-premises software; once the software is purchased
18 and implemented, the City pays recurring license and maintenance costs for
19 continued use of the software, and staff is recommending that TMC 1.06 be
20 amended to clarify that subsequent governing body approval is not required for
21 software license and maintenance costs related to already-approved products or
22 solutions, and

23 WHEREAS the total value of contracts submitted to the City Council
24 and/or PUB are established by careful estimate, but are often not the final value
25

26



of a contract at project close-out; this is especially true on construction projects,
1 and

2 WHEREAS, while the Department of Public Utilities (“TPU”) has routinely
3 included language in its purchase resolutions authorizing the Public Utilities
4 Director to administratively amend contract amounts by up to \$200,000 above
5 the initial award amount, such has not been the case with legislation going before
6 the City Council; as a result, the City Council routinely sees requests to approve
7 small increases to contracts in order to close out existing projects, and
8

9 WHEREAS the standard City Council approval process for these types of
10 small increases may delay final payments to suppliers, and staff is
11 recommending, in the interest of consistency between governing bodies and
12 expediency in contracting, that TMC 1.06.269 be amended to grant the City
13 Manager or Director of Utilities authority to amend contract amounts by up to
14 \$200,000, and
15

16 WHEREAS TMC 1.06.270, “Cooperative Purchasing,” delegates authority
17 to the finance/purchasing manager to enter into interlocal purchase agreements
18 with other agencies and entities, and join cooperative purchasing programs when
19 in the best interests of the City, and staff is recommending that TMC 1.06 be
20 amended to seek governing body approval of Citywide contracts only when the
21 contract award is the outcome of a competitive solicitation or waiver conducted
22 by the City, and
23
24
25
26



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

WHEREAS Chapter 1.06 is in need of additional minor clarifying changes and updates to better reflect current processes and organizational structures; and

WHEREAS these proposed changes will streamline the City's procurement processes while allowing for appropriate oversight of the City Council or PUB, allow for faster procurement of goods and services, allow vendors to have an easier time interacting with the City, and allow City staff to spend less time internal processes, and

WHEREAS, in addition, staff is working to support City Equity in Contracting efforts with proposed changes to administrative practices with the goal of encouraging the award of contracts to MWBE and SBE firms; if the proposed amendments are approved, staff will have greater ability to engage MWBE and SBE firms, and

WHEREAS the proposed amendments were presented to the Government and Finance Performance Committee on November 19, 2019, and were recommended for consideration by the City Council; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Chapter 1.06 of the Tacoma Municipal Code is hereby amended as set forth in the attached Exhibit "A."

Section 2. That the City Clerk, in consultation with the City Attorney, is authorized to make necessary corrections to this ordinance, including, but not



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



EXHIBIT "A"

**CHAPTER 1.06
ADMINISTRATION**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

* * *

GENERAL PURCHASING PROCEDURE

* * *

1.06.251 Definitions.

Unless the context clearly requires otherwise, the terms used in Sections 1.06.250 through 1.06.280 of this Chapter shall have the following meanings:

* * *

F. "Formal Sealed Submittal" means a Sealed Submittal for a Purchase when the estimated cost is more than ~~\$200,000~~ \$500,000, excluding sales tax. Except as otherwise mandated in this Chapter, Formal Sealed Bid solicitation processes shall be governed by the Purchasing Policy Manual.

G. "Informal Submittal" means a Submittal for a Purchase when the estimated cost is ~~\$200,000~~ \$500,000 or less, excluding sales tax. Informal Bid processes shall be governed by the Purchasing Policy Manual.

* * *

M. "Purchasing Policy Manual" means the written document authorized under Section 1.06.253 to establish uniform policies and or procedures consistent with this Chapter.

* * *

1.06.252 General responsibility for purchasing.

The Director of Finance shall be responsible for all City purchasing and procurement and shall appoint a ~~finance/purchasing~~ senior financial manager who shall be head of the Purchasing Procurement and Payables Division of the Finance Department and who shall, subject to the exceptions stated in the Charter and in this Chapter, make all purchases and all sales of personal property for all departments, offices, boards and other agencies of the City.

The duties and responsibilities designated in this Chapter to be performed by the Director of Finance and the ~~finance/purchasing~~ senior financial manager shall be performed with the oversight of the City Manager.

1.06.253 Purchasing Policy Manual.

The Director of Finance, with the approval of the City Manager and the Director of Utilities, is authorized to and shall establish a ~~unified-written~~ Purchasing Policy Manual applicable to all City purchases and to sales of surplus personal property. The Purchasing Policy Manual shall establish ~~processes and standards~~ policies for, but not be limited to, the following:

A. Obtaining competitive solicitations whenever practicable; provided, that the Purchasing Policy Manual may allow for greater flexibility in how solicitations are made, commensurate with the dollar amount involved.

B. Determining the lowest and best responsible bidder in case of supplies, purchased services and public works, and award to the highest and best responsible bidder for surplus sale transactions.

C. Competitive solicitation processes as provided in this Chapter.

D. The procurement of public works by way of the small works roster as provided in this Chapter and allowed by state law.



- 1 E. The procurement of architectural and engineering (A&E) services, including management of an
annual A&E roster for citywide use, consistent with this Chapter and as allowed by state law, as the
same may hereafter be amended.
 - 2 F. ~~Standards and procedures for~~The use of requests for proposals (competitive negotiation), rather
3 than requests for bids, for acquisition of supplies, purchased services, personal services, professional
services, and public works.
 - 4 G. The use of direct solicitation as provided in this Chapter.
 - 5 H. Use of procurement cards.
 - 6 I. Purchase at auctions pursuant to TMC 1.06.277.
 - 7 J. Waivers of competitive solicitations and/or advertising.
 - 8 K. Acceptance of electronic submittals in response to requests for bids, proposals, quotations,
9 qualifications or information.
 - 10 L. Determining if a performance bond and/or bid bond is necessary in the City's best interests when
such bond(s) are not required by state law.
 - 11 M. Determining if a noncollusion declaration is necessary in the City's best interests when such
12 declaration is not required by this Chapter or state law.
 - 13 N. Obtaining written contracts, insurance, indemnification, and guarantee requirements, as
appropriate.
 - 14 O. ~~Ensuring f~~air and equitable treatment of all potential respondents.
 - 15 P. Obtaining authorization for purchases consistent with this Chapter.
 - 16 Q. ~~Ensuring e~~Compliance with the City's Ethics Code.
 - 17 R. Contract recommendations and award and additional rules for protest and surplus sales.
 - 18 S. Defining purchasing related terms as necessary and consistent with this chapter.
 - 19 T. Reporting purchases, as requested, to the City Council for General Government transactions or to
the Public Utility Board for Department of Public Utilities transactions.
 - 20 U. ~~Ensuring t~~The City's specification documents ~~shall to~~, where appropriate, include locality criteria.
21 Locality criteria contained in the specification documents shall be designed to elicit respondents who
22 demonstrate knowledge and understanding of factors unique to the relevant locality. Such factors
23 might include, but are not limited to, culture; customs; history; and the natural, built, and economic
24 environment of the relevant locality. A respondent's ability to satisfy such criteria shall be
25 considered when determining the lowest and best responsible bidder.
 - 26 V. ~~Ensuring t~~The City's specification documents ~~shall to~~, where appropriate, include criteria
designed to demonstrate a respondent's ability to advance the City of Tacoma's Sustainable
Procurement Policy ~~contained in the Purchasing Policy Manual~~. A respondent's ability to satisfy
such criteria shall be considered when determining the lowest and best responsible bidder.
- 1.06.254 General competitive solicitation and award requirements.**
Except as otherwise provided in this Chapter ~~or the Purchasing Policy Manual~~, all purchases shall be
by competitive solicitation. For supplies, services (other than professional services) and public
works, competitive prices shall be obtained by request for bid or, when allowed by state law or the
Purchasing Policy Manual, by request for proposal; and the purchase made from, or the contract
awarded to, the lowest and best responsible bidder or respondent. Unless otherwise required by state
law or in the Purchasing Policy Manual, solicitation of professional services may be by requests for
bids, requests for proposals, requests for qualifications, or by direct negotiation; and the contract
awarded based on qualifications and price in the best interests of the City.



* * *

1.06.255 Competitive solicitation requirements for supplies and public works.

Except as otherwise provided in this Chapter, the Purchasing Policy Manual or by other applicable law, all City purchases for supplies and public works shall be made as follows:

A. Contracts for supplies and/or public works, when the estimated cost is \$~~200,000~~500,000 or less (excluding sales tax), shall be made only after solicitation of informal submittals and the contracts shall be awarded to the lowest and best responsible bidder.

B. Contracts for supplies and/or public works, when the estimated cost is over \$~~200,000~~500,000 (excluding sales tax), shall be made only after solicitation of formal sealed submittals and the contracts awarded to the lowest and best responsible bidder.

C. The ~~finance/purchasing~~senior financial manager shall have the authority ~~in limited circumstances~~ to negotiate volume discount supply contracts, convenience contracts and other contracts when bidders have no incentive to respond to a competitive solicitation, and when in the best interests of the City.

D. Use of a request for proposals (competitive negotiation process) may be used, consistent with state law, in lieu of the bid process for purchase of supplies requiring the acquisition of specially tailored or performance criteria-based products, including, but not limited to, such as computer and technological software, firmware, hardware, equipment, and other goods as may be provided for in the Purchasing Policy Manual.

* * *

1.06.256 Competitive solicitation requirements for services.

Except as otherwise provided herein or by other applicable law, all City purchases of services shall be made as follows:

A. Purchased Services. Solicitation of contracts for purchased services shall be made either by request for bid or request for proposal (competitive negotiation) in accordance with the ~~standards and procedures set forth in the~~ Purchasing Policy Manual.

1. Where the ~~finance/purchasing~~senior financial manager determines a request for bid to be the appropriate solicitation method for a purchased service, the contract shall be awarded to the lowest and best responsible bidder only after solicitation of a request for bids in accordance with ~~the standards and procedures set forth~~ the Purchasing Policy Manual.

2. Where a request for proposal is determined by the ~~finance/purchasing~~senior financial manager to be the appropriate solicitation process for a purchased service, the contract shall be awarded after solicitation of a request for proposals in accordance with ~~the standards and procedures set forth~~ the Purchasing Policy Manual.

B. Professional/Personal Services, excluding architectural and engineering services. Solicitation of, and contracts for, professional services and personal services shall be by request for bids or request for proposals except when use of direct solicitation and negotiation is determined by the City Manager, on behalf of General Government, or the Director of Utilities, on behalf of the Department of Public Utilities, to be in the best interests of the City. If so authorized, direct solicitation and negotiation process shall be in accordance with ~~standards and procedures set forth in~~ the Purchasing Policy Manual.

C. Architectural and Engineering (A&E) Services. Solicitation of, and contracts for, architectural and engineering services shall be by request for qualifications, the utilization of an annual A&E roster of qualified firms, or other method consistent with applicable state law and ~~standards and procedures set forth in~~ the Purchasing Policy Manual.



1.06.257 Waiver of competitive solicitation requirements.

1 Except as prohibited by state law, competitive solicitation and/or other public contracting
2 requirements may be waived, in whole or in part, for sole source purchases or in cases where it is not
3 practicable to utilize a competitive solicitation process, or in emergency situations, or when
4 otherwise deemed in the best interests of the City. Waiver of the City’s competitive solicitation
5 requirements shall be accomplished in accordance with ~~the standards and procedures set forth in~~ the
6 Purchasing Policy Manual, and the following definitions and requirements:

7 * * *

8 C. “Emergency Situations” means, but is not limited to:

- 9 1. In case of any breakage or loss of equipment or other circumstances in which any necessary
- 10 service is or is about to be interrupted;
- 11 2. In cases where the City will suffer a substantial loss by following the normal competitive
- 12 solicitation procedures;
- 13 3. In situations where public health or safety may be jeopardized;
- 14 4. When required by a regulatory agency with jurisdiction;
- 15 5. In other cases as allowed by state law.

16 Emergency purchases over ~~\$200,000~~\$500,000 (excluding sales tax) shall be reported to the City
17 Council or Utility Board, as appropriate, consistent with 39.04.280 (2) (b) RCW, as it may hereafter
18 be amended. With respect to any requirement contained RCW 39.04.280(2)(b) for a written finding
19 of the existence of the emergency to be made by the governing body or designee following the
20 award of a contract without competitive bidding, the designee for the City Council is the City
21 Manager, or designee, and the designee for the Public Utility Board is the Public Utility Director, or
22 designee.

23 * * *

1.06.259 Requests for formal sealed submittals.

24 Except as otherwise provided in this Chapter, all solicitations for formal sealed submittals, when the
25 estimated cost is more than ~~\$200,000~~\$500,000 (excluding sales tax), shall be advertised and published
26 ~~in the official newspaper of the City, as required by law~~ at least once, but not less than five City
business days before the submittal deadline.

1.06.260 Bid deposits, performance bonds and noncollusion declarations.

A. Bid Deposits. Unless stated otherwise in the specifications, respondents to solicitations for public
works shall make a deposit in the form of a certified check or bid bond from a bonding company
licensed to do business in the state of Washington and in a form as approved by the City Attorney in
an amount equal to not less than five percent of the total bid, which percentage shall be stated in the
specification document; and provided further that bid deposits may be required for supply and
service contracts, in the City’s sole discretion.

- 1. Bid deposits submitted in the form of a certified check may be refunded prior to award as deemed
in the best interests of the City, and in accordance with ~~standards and procedures set forth in~~ the
Purchasing Policy Manual. If the recommended award is not approved, the next lowest responsible
bidder shall upon request of the City promptly resubmit their deposit. The deposit of the successful
bidder, upon failure of such bidder to consummate the contract, shall be forfeited as liquidated
damages.

* * *



1.06.261 Formal sealed submittals opening procedure, tabulations and disclosure.

1 Formal sealed submittals shall be delivered to the designated City office as set forth in the
2 specification documents. If authorized by the specification documents, and if not otherwise required
3 by law, submittals may be delivered in the electronic format set forth in the specification documents.

4 Formal sealed submittals shall be opened in public by the ~~finance/purchasing~~senior financial
5 manager or designee, at the time and place stated in the request for such submittals. The
6 ~~finance/purchasing~~senior financial manager or designee shall forward copies of the submittals to the
7 appropriate department or division for recommendations. A tabulation of all formal sealed bids
8 received shall be made and be available for public inspection at the Purchasing Division during
9 regular office hours.

1.06.262 Evaluation of submittals, qualifications of bidders and respondents.

10 * * *

11 C. Proof of Qualifications for Award. As a condition of accepting a submittal, the City may require
12 respondents to furnish information, sworn or certified to be true, on the requirements of this Section.
13 If the ~~City Manager or Director of Utilities~~senior financial manager is not satisfied with the
14 sufficiency of the information provided, or if the prospective respondent does not meet all of the
15 following requirements, any submittal from such respondent must be disregarded. In order to be
16 considered a responsible bidder, the prospective bidder shall have all of the following qualifications:

- 17 1. Adequate financial resources or the ability to secure such resources;
- 18 2. The necessary experience, stability, organization and technical qualifications to perform the
- 19 proposed contract;
- 20 3. The ability to comply with the required performance schedule, taking into consideration all
- 21 existing business commitments;
- 22 4. A satisfactory record of performance, integrity, judgment and skills; and
- 23 5. Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

24 a. Bidder Responsibility. Bidders shall not be in violation of 39.04.350 RCW Bidder Responsibility
25 Criteria - Supplemental Criteria.

26 Minimum criteria for meeting the above qualifications as to any purchase or contract over
\$~~200,000~~500,000 (excluding sales tax) shall be subject to approval by resolution of the City Council
or Public Utility Board.

D. Appeals. The determination of the ~~City Manager for General Government transactions or the~~
~~Director of Utilities for Department of Public Utilities transactions, as appropriate,~~senior financial
manager that a respondent is not qualified pursuant to subsections B. and C. of this Section shall be
conclusive unless appeal is filed in accordance with the ~~standards and procedures set forth in the~~
Purchasing Policy Manual.

E. Financial Information Not Open to Public Inspection. Except as expressly required by applicable
law, the City shall not be required to make available for public inspection and copying confidential
financial information supplied by any person, firm or corporation for the purpose of qualifying to
submit a bid as required by this Section.

* * *

1.06.264 Award in cases of tie bids.

If two or more low bids contain the same information in response to required evaluation criteria,
where all factors are considered and deemed equal, the contract shall be approved for award to the
lowest and best responsible bidder who has a business office within the City's boundaries in
accordance with ~~the standards and procedures set forth in~~ the Purchasing Policy Manual. In all other



cases of tie bids, the award shall be made in the manner determined by the senior financial manager ~~City Council or the Public Utility Board, as appropriate, after an initial hearing before the Board of Contracts and Awards.~~

1.06.265 Board of contracts and awards.

A. Creation and Membership. There is hereby created a board, to be known as the Board of Contracts and Awards, for the purpose of recommending the award or rejection of contracts over ~~\$200,000~~500,000 (excluding sales tax). The Board shall be comprised of five members, as follows: The ~~finance/purchasing~~senior financial manager; two appointees by the City Manager; two appointees by the Director of Utilities. The Board shall meet regularly at such times and places as may be directed by the chair thereof.

B. Powers and Duties.

1. The Board of Contracts and Awards shall recommend award or rejection of the following:

- a. Competitively solicited contracts over ~~\$200,000~~500,000 (excluding sales tax).
- b. Waivers of competitive solicitation over ~~\$200,000~~500,000 (excluding sales tax), except for emergency purchases pursuant to Section 1.06.257.C.
- c. Sales of surplus personal property over ~~\$200,000~~500,000.

2. The Board of Contracts and Awards shall establish rules of procedure for the conduct of its meetings, and for the conduct of hearings.

1.06.266 Award or rejection of submittals.

A. Except as otherwise specified in this Chapter, when the proposed contract amount is over ~~\$200,000~~500,000 (excluding sales tax), the City Manager for General Government transactions and the Director of Utilities for Department of Public Utilities transactions, or their respective designee, together with the division or department requesting the purchase relating to the award thereof, shall submit their award recommendation to the Board of Contracts and Awards, which shall forward its recommendation for approval to the City Council or the Public Utility Board, as appropriate.

B. A protest of any proposed contract award or rejection of submittals over ~~\$200,000~~500,000 (excluding sales tax) shall be submitted to the ~~finance/purchasing~~senior financial manager for hearing by the Board of Contracts and Awards and recommendation to the appropriate final approving authority, all in accordance with ~~the standards and procedures set forth in~~ the Purchasing Policy Manual. Any such protest must be received within two business days after notice of award or rejection is given; and failure to do so shall result in a waiver of such protest right.

C. In the event that there are no protests, appeals or Board member questions pertaining to a proposed award that has been submitted to the Board of Contracts and Awards, said Board may, by one motion (e.g., consent agenda), recommend transactions for approval. Upon approval of such purchases and contracts by the City Council or the Utility Board, the award shall be made by the ~~finance/purchasing~~senior financial manager or designee.

D. Protests of proposed contract award or rejection of submittals of ~~\$200,000~~500,000 and less (excluding sales tax) shall be submitted to the ~~finance/purchasing~~senior financial manager for resolution; such resolution to be in accordance with the ~~standards and procedures set forth in the~~ Purchasing Policy Manual.

E. The City may reject any and all submittals for any transaction for any reason; such rejection to be in accordance with ~~the standards and procedures set forth in~~ the Purchasing Policy Manual.

1.06.267 Award to other than low bidder.

When the award is not given to the lowest bidder in price, the reasons for placing the order elsewhere shall be stated in writing and provided to the City Council or Public Utility Board, as



appropriate, and in accordance with ~~the standards and procedures set forth in~~ the Purchasing Policy Manual.

1 **1.06.268 Contracting authority.**

2 * * *

3 B. All purchases and contracts with a total gross value over ~~\$200,000~~\$500,000 (excluding sales tax),
4 before rebates, trade-ins or credits, and including the value of anticipated renewals, extensions,
5 supplements, or increases, shall be approved by the City Council for General Government
6 transactions, or the Public Utility Board for Department of Public Utilities transactions.

7 ~~C. Citywide purchases and contracts shall be approved as follows:~~

8 1. Citywide purchases and contracts over ~~\$200,000~~\$500,000 (excluding sales tax), before rebates,
9 ~~trade-ins or credits,~~ shall be presented for approval to both the City Council and the Public Utility
10 Board consistent with the Charter. In the event that only the City Council or Public Utility Board
11 approves the award, the contract will be utilized only to the extent authorized.

12 2. Citywide purchases and contracts ~~\$200,000~~\$500,000 and less (excluding sales tax), shall be
13 presented for approval to the ~~finance/purchasing~~senior financial manager.

14 D. Delegations of authority pursuant to this Chapter, except for the City Attorney, shall be in writing
15 and filed with the Purchasing Division. City Attorney approval shall include approval by any Deputy
16 or Assistant City Attorney unless such delegation is expressly excluded or limited by applicable law
17 or policy.

18 **1.06.269 Contract amendments.**

19 A. Administrative Contract Amendments. Except as otherwise provided in this Chapter, or except as
20 otherwise directed by City Council or Public Utility Board resolution or motion, the City Manager or
21 the Director of Utilities, as appropriate, or their respective designees, are authorized to approve when
22 contract provisions for contract amount changesincreases, term extensions, contract renewals, and/or
23 other administrative amendments are expressly identified in a City Council or Public Utility Board
24 resolution or motion, or are specified in the Board of Contracts and Awards letter for such contract,
25 administrative authority to exercise such contract provisions will be deemed granted upon approval
26 of the contract by the City Council or Public Utility Board, as appropriate. Exercise of said
administrative authority shall be as described in subsections B. through H. below, and in accordance
with the standards and procedures set forth in the Purchasing Policy Manual.

B. Contract Amount Amendments.

1. Contracts not requiring initial authorization by the City Council or Public Utility Board may be
amended to increase the contract amount up to an aggregate total of ~~\$200,000~~\$500,000 by the City
Manager or Director of Utilities, as appropriate, or their respective designees, and in accordance
with the ~~standards and procedures set forth in the~~ Purchasing Policy Manual.

2. When authorized pursuant to subsection A. above, contract amount change amendments in an
amount of up to \$200,000 over the contract amount initially authorized by the City Council or Public
Utility Board may be administratively approved by the City Manager or Director of Utilities, as
appropriate, or their respective designees.

3. Except as otherwise specified in this Section, the City Manager or Director of Utilities, as
appropriate, or their respective designees, may authorize by change order, letter of instruction or
other legally appropriate form, a decrease in the cost of any contract.

C. Contract Term Amendments. Except as otherwise authorized by City Council or Public Utility
Board resolution or motion, contracts may be amended to shorten or extend the term thereof by a
change order, letter of instruction or other legally appropriate form authorized by the City Manager
or Director of Utilities, as appropriate, or their respective designees; provided, however, that a



contract's term may not be so administratively extended more than three years without the further authorization of the City Council or Public Utility Board, as appropriate.

1 D. Software Contract Renewals. ~~When authorized pursuant to subsection A. above, contract renewal~~
2 ~~amendments may be administratively approved by the City Manager or Director of Utilities, as~~
3 ~~appropriate, or their respective designees.~~

4 ~~1. Renewals of software maintenance and support~~For software contracts initially authorized by City
5 Council or Public Utility Board resolution or motion, ongoing maintenance, support and purchases
6 ~~of software~~licensing(s) required by such renewals, for such software shall not require further
7 competitive solicitation or further City Council or Public Utility Board approval; provided, however,
8 that said ~~renewals and~~ purchases shall be made in accordance with ~~the standards and procedures set~~
9 ~~forth in~~ the Purchasing Policy Manual.

10 * * *

11 **1.06.270 Cooperative purchasing.**

12 The ~~finance/purchasing~~senior financial manager is hereby delegated the express authority, without
13 further City Council or Utility Board approval, to enter into interlocal purchase agreements with
14 other agencies and entities, and to join cooperative purchasing programs, when approved by the
15 Director of Finance, when the best interests of the City would be served. Authorization to purchase
16 using an interlocal purchase agreement with another public agency or cooperative shall be in
17 accordance with the ~~standards and procedures set forth in the~~ Purchasing Policy Manual; provided
18 that approval for purchases in excess of ~~\$200,000~~500,000 (excluding sales tax) shall be obtained
19 from the City Council, or Public Utility Board, as appropriate.

20 The Director of Finance is authorized to and ~~shall~~may establish further policies and procedures to
21 ensure all such interlocal purchases are consistent with the standards of competitive solicitation set
22 forth in this Chapter, the Purchasing Policy Manual and applicable state law; provided, however, that
23 such purchases, regardless of value, made by the City under a purchasing contract executed by a
24 state, or agency or subdivision thereof, or by another governmental unit or public benefit nonprofit
25 corporation shall be exempt from such competitive solicitation requirements.

26 * * *

SALE OF SURPLUS PERSONAL PROPERTY

1.06.272 Certification of surplus personal properties to be sold or disposed.

The City Manager or Director of Utilities, as appropriate, or their respective designees, shall certify
in writing that certain personal property belonging to the City is surplus and has no further public
use, or that the sale or disposition thereof would be in the best interests of the City. Original
documentation for all surplus personal property sales shall be maintained in the Purchasing Division.

1.06.273 Competitive bidding required for surplus personal property sales.

City sales of surplus personal property shall be made in accordance with ~~the standards and~~
~~procedures set forth in~~ the Purchasing Policy Manual, except as otherwise provided in this Chapter
or by other applicable law.

A. The sale of surplus personal property shall be accomplished by bid, unless a negotiated
disposition process is approved. Use of a negotiated disposition process for surplus personal property
with a value over ~~\$200,000~~500,000 may be approved only by the City Council, for property held by
General Government, or by the Public Utility Board, for property held by the Department of Public
Utilities. Use of a negotiated disposition process for surplus personal property with a value under
~~\$200,000~~500,000 may be approved by the Director of Finance. The negotiated disposition process
may be used for surplus sales to other governmental entities, surplus sales of specialized or sensitive



police and fire surplus personal property, sales of utility equipment to Department of Public Utilities customers, or when otherwise determined to be in the best interests of the City.

1 B. Trade-ins, when part of a purchase, do not need to be declared surplus.

2 **1.06.274 Good faith deposit for surplus personal property sales.**

3 Each bid for surplus personal property with an estimated value over ~~\$200,000~~\$500,000 shall be
4 accompanied by a deposit in the form of a cashier's check or bid bond in an amount not less than five
5 percent of the amount bid. Other governmental or public agencies may be exempted from the deposit
6 requirement. All such deposits so made shall be returned to the unsuccessful bidders depositing the
7 same after the City has determined the successful bidder(s). The deposit of the successful bidder
8 shall be applied to the purchase price, or, upon failure of such bidder to consummate the purchase,
9 such deposit shall be forfeited as liquidated damages.

7 **1.06.275 Surplus personal property sales bid opening.**

8 Sealed bids for the sale of surplus personal property shall be opened in public by the City's
9 ~~finance/purchasing~~senior financial manager or designee at the time and place specified in the request
10 for bids. The ~~finance/purchasing~~senior financial manager or designee shall make a tabulation of all
11 bids that shall be available for public inspection during regular City business hours.

10 **1.06.276 Award or rejection of surplus personal property sales.**

11 The award or rejection authority and procedure shall be as follows:

12 A. The City Manager or designee, for transactions involving the sale of surplus personal property
13 held by General Government and valued over ~~\$200,000~~\$500,000, shall forward all bids or negotiated
14 offers received, or a summary of such bids or offers, together with the recommendations relating to
15 the award thereof, to the City Council for approval or rejection.

16 1. The City Manager or designee shall have the authority to approve the sale of surplus personal
17 property held by General Government valued at ~~\$200,000~~\$500,000 or less.

18 B. The Director of Utilities, for transactions involving the sale of surplus utility personal property held
19 by the Department of Public Utilities and valued over ~~\$200,000~~\$500,000, shall forward all bids or
20 negotiated offers received, or a summary of such bids or offers, together with the recommendations
21 relating to the award thereof, to the Public Utility Board for approval or rejection. Upon approval of
22 such sale by the Public Utility Board, the award shall be made by the ~~finance/purchasing~~senior
23 financial manager. For purposes of this Section and RCW 35.94.040, the Public Utility Board is hereby
24 authorized to approve, in a legislative authority capacity and after public hearing, all sales of surplus
25 utility personal property without further City Council approval.

26 1. The Director of Utilities or designee shall have the authority to approve the sale of surplus utility
personal property valued at ~~\$200,000~~\$500,000 or less.

21 **1.06.277 Purchase or sale at auctions.**

22 A. Sale at Auction.

23 1. When deemed to be in the best interests of the City, the ~~finance/purchasing~~senior financial
24 manager or designee, may authorize the sale of surplus personal property by public auction;
25 provided, however, that surplus personal property with an estimated value over
26 ~~\$200,000~~\$500,000, must first be approved as surplus personal property by the City Council or Utility
Board, as appropriate. Upon completion of an approved auction sale, further governing body
approval is not required.

2. Surplus personal property that will be sold by third-party auctioneers does not require prior
approval by the City Council or Utility Board, even when the estimated value is over
~~\$200,000~~\$500,000; provided, however, that the auctioneering services contract is approved by the



City Council and/or Utility Board, as appropriate, and the intent is disclosed at time of contract approval.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26

B. Purchase at Auction. Pursuant to 39.30.045 RCW, the City may purchase supplies, equipment, or materials at auctions conducted by the United States or any agency thereof, or any other government agency or private party without being subject to public bidding requirements if the items can be obtained at a competitive price; provided, however, that in the event the bid price is anticipated to be over ~~\$200,000~~ \$500,000, prior authorization shall be obtained from the City Council or the Public Utility Board, as appropriate.

* * *