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MANAGEMENT SUPPORT SERVICES

Bid Requirements

Competitive procurements are required for purchase of goods (furniture, equipment, or supplies, except books,) services, or public works for which the cost is estimated to be in excess of ten thousand dollars. The cost is defined as the aggregate of all amounts to be paid for labor, material, and equipment on one continuous or interrelated project where work is to be performed simultaneously or in close sequence.

**Goods and Services - Small Purchase Procedure (\$10,000 to \$75,000).** The following procedures shall be in effect for purchasing goods and services when the estimated cost is between \$10,000 and \$75,000.

- A. A scope of work and/or specifications for goods and purchases shall be prepared.
- B. Bids may be solicited by telephone and/or written quotation for furniture, equipment and supplies which have an estimated cost between \$10,000 and \$75,000. At least three telephone or written bids will be secured prior to the date established by the Superintendent or designee. All telephone quotations must be confirmed in writing within seven days in order to constitute a valid quotation.
- C. The contract shall be awarded to the lowest responsible bidder as described in RCW 39.26.160(2).

**Self-Certification – Federal Funding Purchase Procedure (\$10,000 to \$75,000).**

If during a given fiscal year, the district qualifies as a low-risk auditee in accordance with criteria in 2 C.F.R. § 200.520, as determined by the auditor, or has documentation it received a low risk assessment after an annual internal institutional risk assessment to identify, mitigate and manage financial risks, then the district may use the following Self-Certification thresholds instead of the ones described above:

- A. Purchases of \$40,000 or less do not require quotes. However, the district must consider the price to be reasonable based on research, experience, purchase history or other information and must document this determination. In addition, to the extent practical, purchases must be distributed equitably among suppliers.

- B. Purchases between \$40,000 and \$75,000 must be procured using price or rate quotations from three or more qualified sources.
- C. Purchases of \$75,000 or more must be publicly solicited using sealed bids or requests for proposals.

Self-Certification will be completed annually at the beginning of each fiscal year and will be documented utilizing the following elements:

- Date procurement policy was adopted to include the higher micro-purchase threshold
- Audit report number and review date
- Date low-risk status verification was completed
- Superintendent or Designee signature and date attesting to low-risk status

**Goods and Services - Formal Bidding Process Procedure (>\$75,000).** The following procedures shall be in effect for purchasing good and services through the formal bidding process.

- A. A scope of work and specifications for such work or purchases shall be prepared and notice by publication given in at least one newspaper of general circulation within the district, once each week for two consecutive weeks, of the intention to receive bids and that specifications and other information may be examined at the office of the board or any other officially designated location.
- B. Formal bids shall be opened at the time and place stated in the official advertisement for bids, and any interested member of the public may attend the bid opening. It shall be the bidder's sole responsibility to see that his/her bid is delivered to the district prior to the time set for opening of bids. Any bid received after the time set for opening the bids shall be returned to the bidder unopened and shall receive no consideration by the district.
- C. Formal bid awards shall be approved by the board on the basis of staff recommendations at a meeting after the bid opening.
- D. Brand names and manufacturers' catalog numbers used in specifications are for the purpose of identification and to establish a standard of quality. Bids on "equal" items shall be considered providing the bidder specifies brand and model and furnishes descriptive literature. The acceptance of alternative "equal" items shall be

conditioned on the district's inspection and testing after receipt. If not found to be equal, the material shall be returned at the seller's expense and the contract canceled.

- E. The district shall reserve the right to reject any or all bids, waive any formalities and/or irregularities, and make the award in its best interest or cancel the solicitation, if a compelling reason exists.

**Public Works - Limited Public Works Purchase Procedure (\$10,000 to \$50,000).**

- A. The district will prepare a scope of work and specifications.
- B. Bids maybe solicited by telephone and/or written quotation from a minimum of three contractors from the appropriate small works roster. The district will equitably distribute opportunities for limited public works projects among contractors willing to perform in our geographic area.
- C. The contract shall be awarded to the lowest responsible bidder as defined under RCW 39.04.010.
- D. The district will maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.
- E. For limited public works projects, the district may waive the payment and performance bond requirements of chapter 39.08 RCW and may waive the retainage requirements of RCW 60.28.011(1)(a), thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, material, persons, suppliers, and taxes, increases, and penalties imposed under Titles 50, 51, and 82 RCW that may be due from the contractor for the limited public works project, however the state agency or authorized local government shall have the right of recovery against the contractor for any payments made on the contractor's behalf.
- F. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a

contract that may be let using the small works roster process or limited public works process.

**Public Works - Small Works Roster Contract Procedure (\$50,000 - \$300,000).** The following steps will be employed to engage a contractor for a small works project.

- A. The district will prepare a scope of work and specifications. The invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. Submission requirements include: Completion date; contractor's assurances (prevailing wages, fair employment, etc.); bid and payment and performance bond requirements; opportunity to visit the work site; closing date; and bid form may be provided. Detailed plans and specifications need not be included in the invitation.
- B. All qualified small works contractors may receive written invitation to bid. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted. However, if the estimated cost of the work is between \$150,000 and \$300,000 and five or more contractors are invited to offer quotations, all other contractors on the roster will be notified of the quotations being sought by publishing notice in a newspaper in general circulation in the district.
- C. The district may solicit bids by telephone, electronic means and/or written quotations from contractors who have requested to be placed on the small works roster and by following the requirements of RCW 39.04.155.
- D. The district will equitably distribute opportunities for small works projects among contractors willing to perform in our geographic area.
- E. After the closing time, bids shall be opened, recorded and made available for inspection or telephone inquiry.
- F. The district will award the contract to the lowest responsible bidder as defined in RCW 39.04.010.
- G. The district will maintain a list of contracts awarded pursuant to the small works roster once every year, including the name of the contractor or vendor, amount of

the contract a brief description of the work done or items purchased and the date awarded. The notification must also include the location where quotations for the contracts listed are available for public inspection.

- H. Responsible contractors will be added to the small works roster any time they submit a written request and necessary records. The application form is designed to collect such information as (1) name of contractor, (2) state of Washington contractor's license number, (3) bonding verification, (4) liability insurance coverage, (5) related contracts completed, and (6) references (bond and clients). Contractors desiring to be placed on or remain on the small works roster are required to keep current records of applicable licenses, certifications, registrations, bonding and insurance or other appropriate matters on file with the district.
- I. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process.

**Public Works - Formal Bidding Process Procedure (>\$75,000).** The following procedures shall be in effect for purchasing Publics Works through the formal bidding process.

- A. A scope of work and specifications for such work or purchases shall be prepared and notice by publication given in at least one newspaper of general circulation within the district, once each week for two consecutive weeks, of the intention to receive bids and that specifications and other information may be examined at the office of the board or any other officially designated location.
- B. The invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. Submission requirements include: Completion date; contractor's assurances (prevailing wages, fair employment, etc.); bid and payment and performance bond requirements; opportunity to visit the work site; closing date; and bid form may be provided. Detailed plans and specifications need not be included in the invitation
- C. Formal bids shall be opened at the time and place stated in the official advertisement for bids, and any interested member of the public may attend the bid opening. It shall be the bidder's sole responsibility to see that his/her bid is delivered to the district prior to the time set for opening of bids. Any bid received

after the time set for opening the bids shall be returned to the bidder unopened and shall receive no consideration by the district.

- D. Formal bid awards shall be approved by the board on the basis of staff recommendations at a meeting after the bid opening.
- E. Brand names and manufacturers' catalog numbers used in specifications are for the purpose of identification and to establish a standard of quality. Bids on "equal" items shall be considered providing the bidder specifies brand and model and furnishes descriptive literature. The acceptance of alternative "equal" items shall be conditioned on the district's inspection and testing after receipt. If not found to be equal, the material shall be returned at the seller's expense and the contract canceled.
- F. After the closing time, bids shall be opened, recorded and made available for inspection or telephone inquiry.
- G. The district will award the contract to the lowest responsible bidder as defined in RCW 39.04.010
- H. The district shall reserve the right to reject any or all bids, waive any formalities and/or irregularities, and make the award in its best interest or cancel the solicitation, if a compelling reason exists.

**Awards – Goods, Services and Public Works.** The contract for the work or purchase shall be awarded to the lowest responsible bidder as described in RCW 39.26.160(2) but the board may by resolution reject any and all bids and make further calls for bids in the same manner as the original call. In determining whether the bidder is a responsible bidder under RCW 39.26.160(2), the district must consider the following elements.

- A. The ability, capacity, and skill of bidder to perform the contract or provide the service required;
- B. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
- C. Whether the bidder can perform the contract time specified;

- D. The quality of performance of previous contracts or services;
- E. The previous and existing compliance by the bidder with laws relating to the contract or services;
- F. Whether, within the three-year period immediately preceding the date of the bid solicitation, the bidder has been determined by a final and binding citation and notice of assessment issued by the department of labor and industries or through a civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, or any provision of chapter 49.46, 49.48, or 49.52 RCW (before awarded a contract, a bidder shall submit to the district a signed statement in accordance with RCW 9A.72.085 verifying under penalty of perjury that the bidder is in compliance with the responsible bidder criteria requirement of this subsection); and
- G. Such other information as may be secured having bearing on the decision to award the contract as the Superintendent or designee deems advisable.

**Lowest Responsible Bidder.** The following factors shall be considered in determining the lowest responsible bidder. In addition to the bidder responsibility criteria, the district may adopt relevant supplemental criteria in accordance with RCW 39.04.350(3) for determining bidder responsibly applicable to a particular project which the bidder must meet.

- A. Have a current state unified business identifier number;
- B. If applicable, have industrial insurance coverage for the Bidder's employees working in Washington as required in Title 51 RCW;
- C. Have an employment security department number as required in Title 50 RCW;
- D. Have a state excise tax registration number as required in Title 82 RCW;
- E. Not be disqualified from bidding on any public works contract under RCW 39.06.010 (unregistered or unlicensed contractors) or RCW 39.12.065(3) (prevailing wage violations);

- F. Not have been found to be out of compliance by the Washington State apprenticeship and training council for certain apprenticeship requirements during the prior year.

**Acceptable Bid or Offer and District Purchase Order.** Shall constitute the only contract necessary for the purchase of supplies, equipment, and minor repairs of construction projects, except that the successful bidder shall meet all conditions included in the specifications.

**Summary of Alternatives to Formal Bidding Processes:** The formal bidding process can be used for all purchases of goods, services, and public works. As authorized by law, and as an alternative to the formal bid process, purchases may be made and building improvements and/or repairs contracted as follows:

**Goods & Services utilizing Federal Funds**

| Less Than \$10,000                                    | Single Purchase<br>\$10,000 to \$75,000   | Greater than \$75,000   | Suspension &<br>Debarment         |
|---|---|---|-----------------------------------|
| Negotiate<br>equitable price                          | Informal bidding<br>process. Quotes<br>from at least 3<br>different sources<br>obtained in writing<br>or by telephone<br>and recorded for<br>public to review | Formal competitive<br>Bidding process.<br>Complete plans &<br>specifications.<br>Publication;<br>formal written bidding;<br>award to the lowest<br>responsible bidder | For purchases<br>\$25,000 or more |
| <b>OR:</b> State Contracts/Interlocal Agreements/KCDA |   |   |                                   |



**Goods & Services utilizing Federal Funds *IF* the district qualifies as low-risk auditee in accordance with 2 C.F.R. § 200.520 – Contact Business Office in advance to confirm**

| Less Than \$40,000                                    | Single Purchase \$40,000 to \$75,000   | Greater than \$75,000  | Suspension & Debarment         |
|---|--|--|--------------------------------|
| Negotiate equitable price                             | Informal bidding process. Quotes from at least 3 different sources obtained in writing or by telephone and recorded for public to review | Formal competitive Bidding process. Complete plans & specifications. Publication; formal written bidding; award to the lowest responsible bidder | For purchases \$25,000 or more |
| <b>OR:</b> State Contracts/Interlocal Agreements/KCDA |  |  |                                |

**Goods utilizing State Funds**

| Less Than \$40,000                                    | Single Purchase \$40,000 to \$75,000  | Greater than \$75,000   |
|---|---|---|
| No quotes required                                    | Informal bidding process. Quotes from at least 3 different sources obtained in writing or by telephone and recorded for public to review. | Formal competitive bidding process. Complete plans & specifications. Publication; formal written bidding; award to the lowest responsible bidder. |
| <b>OR:</b> State Contracts/Interlocal Agreements/KCDA |   |   |

**Services utilizing State Funds**

The State of Washington is silent on thresholds for *personal* and *purchased* services. However, vendors supplying such services should be evaluated for price, reliability, responsibility, and compliance with conflict of interest prohibitions. In addition, the purchasing decision should be documented by the requestor.

**Public Works**

| Less than \$10,000         | Greater than \$10,000 – Less than \$50,000   | Equal to \$75,000 and less than \$150,000   | Equal to \$150,000 – and less than \$300,000  |
|----------------------------|--|---|---|
| Negotiate equitable price. | Small Works Roster – “Limited Public Works Project” Solicit at least 3 contractors | Small Works Roster – Solicit 5 or more contractors No detailed plans & Specs; No advertisements, “equitably distribute” | Small Works Roster – Solicit 5 or more contractors, plus publish notice in a newspaper in general circulation |

**Formal Written Contracts.** Shall be prepared for all major construction and repair projects. Such contracts shall be signed by the Board President/Chair and Secretary on behalf of the district after the contracts have been awarded by a majority vote of the board with action recorded in the minutes of the board meeting. All contracts shall provide that, in the event of a suit by the district to enforce the terms of the contract, venue for the suit shall be county in which the district is located and that, if the district is successful in the suit, the court may order reimbursement of the district’s attorney’s fees and court costs in such amount as the court deems reasonable. The contract will contain a provision requiring the contractor to prohibit any employees of the contractor from working at a public school who has contact with children at a public school during the course of his or her employment and who has pled guilty to or been convicted of any felony crime specified under RCW 28A.400.322. The contract will also provide that failure to comply with this requirement is grounds for immediate termination of the contract.

**Legal References:**

|                   |  |
|-------------------|--|
| Chapter 49.46 RCW | Minimum Wage Requirements and Labor Standards  |
| Chapter 49.48 RCW | Wages – Payments – Collections   |
| Chapter 49.52 RCW | Wages – Deductions – Contributions – Rebates   |
| RCW 9A.72.085     | Unsworn statements, certification – Standards for subscribing to an unsworn statement  |
| RCW 28A.335.190   | Advertising for bids – Competitive Bid Procedures – Purchases from inmate work programs – Telephone or written quotation solicitation, limitations - Emergencies |
| RCW 28A.400.322   | Crimes against children – Crimes specified   |
| RCW 39.04.010     | Definitions  |
| RCW 39.04.155     | Small works roster contract procedures – Limited public works process – Definition   |
| RCW 39.04.350     | Bidder responsibility criteria – Sworn statement – Supplemental criteria   |
| RCW 39.06.010     | Contracts with unregistered or unlicensed contractors and with other violators prohibited  |

## CENTRAL KITSAP SCHOOL DISTRICT PROCEDURE

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|               |   |
|---------------|---|
| RCW 39.12.065 | Investigation of complaints – Hearing – Remedies – Penalties  |
| RCW 39.26.160 | Bid awards – Considerations – Requirements and criteria to be set forth – Negotiations –<br>Use of enterprise vendor registration and bid notification system |
| RCW 49.48.082 | Wage complaints – Definitions   |
| Title 50 RCW  | Unemployment Compensation   |
| Title 51 RCW  | Industrial Insurance  |
| Title 82 RCW  | Excise Taxes  |

|           |                          |
|-----------|--------------------------|
| Approved: | <u>March 9, 1988</u>     |
| Revised:  | <u>June 22, 1994</u>     |
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| Revised:  | <u>October 28, 2009</u>  |
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| Revised:  | <u>November 27, 2017</u> |
| Revised:  | <u>November 13, 2019</u> |
| Revised:  | <u>April 27, 2022</u>    |