



*Approved: 9/22/20*

*City of Yakima  
Administrative Code  
ADM 3-500*

# City of Yakima Procurement Manual

*Effective 09/22/2020*

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# Welcome to Purchasing



## VISION

- Use a cooperative, collaborative approach in understanding customers' needs while helping to expedite purchasing processes.
- Ensure processes are consistent, timely, efficient, seamless and promote legal compliance and fiscal responsibility.
- Provide easy to use tools and accessible information which allows customers to provide services to the public.
- Provide service in a professional, knowledgeable and respectful manner.
- Look for opportunities to be innovative and resourceful.
- Ensure public funds are responsibly spent in a transparent and fair manner.

## MISSION

Purchasing facilitates the timely procurement of goods and services to help customers fulfill their missions by providing cost effective opportunities to purchase quality goods and services at the best value while conducting business in a legal, fair open, and competitive manner.

## GOALS

- Maintain and expand relationships with vendors and purchasing organizations, and promote fair and equitable opportunities for vendors.
- Educate City departments on the services provided by Purchasing and their legal requirements and obligations.
- Develop seamless procurement processes and procedures that comply with each jurisdiction's legal requirements.
- Develop and utilize cost-effective methods for purchasing using best management practices and technological tools, where appropriate.
- Maximize the effectiveness and efficiency of administrative policies, internal operations and public information.
- Create and maintain a positive and cooperative culture that respects employees, customers and vendors.
- Hire and retain professional, well trained, and knowledgeable employees.

## *Quality Service, Responsible Public Procurement*



## I. CITY PURCHASING DIVISION CODE OF ETHICS

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

### ***Proper operation of the City Purchasing Division requires that:***

- Actions of Purchasing Division employees be impartial and fair.
- Government decisions and policies be made in the proper channels of government structure.
- Public employment not be used for personal gain.
- Purchasing Division employees may neither solicit, accept, nor agree to accept any gratuity for themselves, their families or others that results in their personal gain which may affect their impartiality in making decisions on the job. Discounts or concessions realistically available to the general population, items received that do not result in personal gain, and samples to the City used for general City use are examples of items that are not gratuities. Personal judgment should be used and questions regarding particular problems/events should be referred to the employee's manager.

### ***Goals:***

- To protect and enhance the reputation of the City of Yakima and its employees.
- To treat all citizens equally with courtesy and impartiality, and refrain from granting any special advantage to any citizen beyond what is available to all citizens.
- To give efficient, productive, and economic service to the public.
- To avoid real or potential conflicts between private and public duties, remembering that the public interest must be the principal concern.
- To keep confidential all information acquired by reason of one's position, which may be used for personal or financial gain for the employee or other persons.
- To refrain from securing special privileges or exemptions for one's self or other persons that are not available to all citizens.
- To avoid receiving, soliciting or otherwise obtaining anything of value that is greater than nominal intrinsic value from any other public official, employee or citizen which is intended to influence the performance of official duties.

- To disclose to the appropriate authority the nature and extent of any financial or personal interest in a City contract, legislation, or in any type of transaction involving the City when participating in the development of or giving an official opinion on the matter.

***Purchasing Division Employees shall:***

Certify, in writing, that they have read and understand this policy. Non-compliance may result in disciplinary action, per the Civil Service rules at the discretion of City Management.

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## II. REQUISITION APPROVAL LIMITS AND SIGNATURE AUTHORITY

See “*City of Yakima ADM 2-200*” on ICE for Delegation of the City Manager’s Authority to approve requisitions (which are routed automatically through Cayenta) and sign contracts.

**Department Heads and Division Managers DO NOT have the authority to sign contracts** UNLESS the City Council has delegated authority over to you via Resolution. Only the City Manager (or authorized designee) has the authority to sign contracts. See Definitions Section “XIX” to determine what constitutes a “Contract”.

## III. PURCHASE ORDERS

Only Purchasing has the authority to produce and sign official Purchase Orders for the City of Yakima. If you need a hardcopy of a PO for any dollar amount (some vendors require a hardcopy, even for a \$100 purchase), contact Purchasing and we will print one out, sign, scan and email it to you.

### A. WHICH TYPE OF PURCHASE ORDER TO USE

There are several different types of PO’s. Choose which one is right for you:

- 1) **Direct PO’s** – Reserved for the use of Equipment Rental & Water Storekeepers, and Purchasing Buyers. Cayenta Department Buyers do not have the authority to use Direct PO’s.
- 2) **Direct Pays** – Are to be used only for:
  - a. Subscriptions (e.g. magazine, newspaper, dues, etc. – not software).
  - b. Utility bills (power, sewer, garbage, phone, water, etc.).
  - c. Credit Invoices.
  - d. Employee reimbursement for tools, uniforms, boots, and CDL’s.
  - e. Pension Payments

NOTE: For unusual circumstances and exceptions, contact the Finance Director.

- 3) **Blanket PO’s** - Not allowed as of 1/1/18. Blankets do not work in Cayenta as intended. If this changes, we will let you know.
- 4) **Regular PO’s (PREFERRED)**. PR’s go through the MLA process and get turned into regular PO’s.
- 5) **Reverse Regular PO** - A regular PO with the quantity set as the dollar amount and the dollar amount set as “ONE”, therefore they are reversed. Partial receiving against the PO may be done as invoices are received throughout the year and your PO will show a remaining balance. MLA is only done once. Funds are encumbered upon PO creation.
- 6) **Do not use a PO when it makes more sense to use a PCard.**

## IV. GRANT & FEDERAL FUNDING

Are you trying to procure something involving any type of grant or federal funding? STOP!

Purchases or Work that have received a grant or federal funding may not be covered by this manual. **These types of purchases often have their own procurement requirements.**



Contact Purchasing for advice on how to proceed. We will review the procurement section of your specific grant and guide you on what steps to take next.

When spending Federal Funding, the City complies with and has a separate policy for “Uniform Administrative Requirement, Cost Principals, and Audit Requirements for Federal Awards”, published in Title 2 of the Code of Federal Regulations, (2 CFR 200), specifically [2 CFR 200.318 through 200.326](#). ALL GRANTS ARE DIFFERENT, so one size does not fit all. Some grants simply require you to use your own procurement rules, while others require you to insert their contracting clauses into your contract. **Whether funding is City, State, or Federal, we are required to follow the most restrictive regulations.**

According to [Procurement Guidance for Recipients and Subrecipients Under 2 C.F.R Part 200 \(Uniform Rules\)](#): Direct Conflicts Between the Federal Procurement Standards and the Procurement Standards Applicable to [Non-Federal Entities] NFEs Other Than States. The Federal procurement standards are relatively brief. They only address certain, limited procurement concepts and do not address all possible procurement issues. Where the Federal procurement standards do not address a particular area of procurement, FEMA expects the NFE to apply local, state, and/or tribal procurement standards or regulations – whichever applies to the particular NFE. **However, where a direct conflict exists between a Federal procurement standard and a local, state and/or tribal procurement standard or regulation, FEMA expects the NFE to apply the more restrictive procurement standard.**

When you’re ready to enter your requisition into Cayenta, note the type of funding, e.g. Federal/FTA/FAA/FEMA/COPS/CDBG, etc., in the Subject Field of the requisition, using the project number assigned by City Finance, in order to ensure that Purchasing is notified and complies with appropriate Federal regulations.

### [Yakima Transit Only:](#)

When utilizing LOCAL funds, this manual applies. When utilizing Federal Transit Agency (FTA) funding, all procedures shall conform to applicable Federal law, including, but not limited to: 49 CFR Part 18 (repealed 12/26/2014), 2 CFR Parts 200 and 1200 and Federal Transit Administration (FTA) Circular 4220.1F, “Third Party Contracting Guidance”. Yakima Transit has their own Procurement Manual to use for FTA funded procurements.

## V. CONTROLLED COMMODITIES

The following items require approval from designated people (NO MATTER WHAT THE DOLLAR AMOUNT) They are:

- Anything Technology Services is requested or required to install, connect, service, maintain or support such as computers and related equipment, fax machines, printers, scanners and copiers, cell phones, telephone equipment, software or systems - **IT Manager.**
- All Fleet Purchases – **Fleet & Facilities Manager**
- **Furniture, Office Supplies, On-Call Repair Contracts**, or anything else on a **master contract** that Purchasing has let that serves multiple divisions.

## VI. HOW TO PURCHASE MATERIALS, SUPPLIES, EQUIPMENT (Unrelated to Services, A&E or Construction/Public Work)

It is the Division Managers/Department Heads responsibility to appoint who shall make purchases for their department on the City's behalf under the quote limits that do not require Purchasing involvement.

**Only authorized purchases used to conduct City business, consistent with the Cities Strategic Priorities and state and local laws that are within predetermined budgets are allowed.**

All local governments in Washington are subject to the state's Conflicts of Interest statute ([Chapter 42.23 RCW](#)). Generally, municipal officers are prohibited from having financial interests in contracts made by or under the officer's supervision or for the benefit of their office. [RCW 42.23.020\(2\)](#) defines "municipal officer" rather broadly and basically means any city employee acting on behalf of the **City**.

Violating these rules can bring serious penalties, including monetary fines, nullification of contracts, and possible forfeiture of employment. Common sense can be a good guide in this area of the law, but sometimes gray areas can create confusion and uncertainty. If you are concerned about a specific situation, consult with Legal.



A. **THRESHOLDS**

(PER CALENDAR YEAR FOR ONE OR MORE IDENTICAL, SIMILAR OR LIKE ITEMS, AND ITEMS USED IN CONJUNCTION WITH ONE ANOTHER):	
\$ -0- to \$4,999	<b>Purchasing involvement not required</b> because competition is not required.
\$5,000 to \$9,999	<b>Purchasing involvement not required.</b> Department obtains oral or written quotes and retains in file.
\$10,000 to \$49,999*	3 Written Quotes <b>(Involve Purchasing)</b>
Over \$50,000	Formal Sealed Bid or RFP <b>(Involve Purchasing)</b>

\* Per **RCW 39.04.190**, Purchasing advertises for the “vendor list” procedure, enabling quotes to be obtained between \$10,000 and \$49,999.

**All dollar limits include** freight, handling, and set-up cost, plus appropriate sales tax. If there will be a **trade-in**, the dollar limit is of the gross purchase, not the net purchase after trade-in.

B. **HOW TO REQUEST A VENDOR NUMBER**

A fillable Vendor Number Request form can be found on ICE. Fill in the form and provide it to Accounts Payable along with a completed W-9. If the vendor is a City employee there is no need for the W-9 form.

C. **PAYMENTS**

Specify where to send an invoice at time of order.

Notify vendor that the **PO number must be on all invoices**. All questions regarding payments should be directed to the Accounts Payable Division of Finance.



D. **PCARD (VISA)** A PCard is an alternate way to pay for something. All procurement policies still apply. For PCard procedures, see Administrative Code 3-400 on ICE.

E. **TRAVEL & REIMBURSEMENT POLICY ADM 1-1900** is available on ICE.

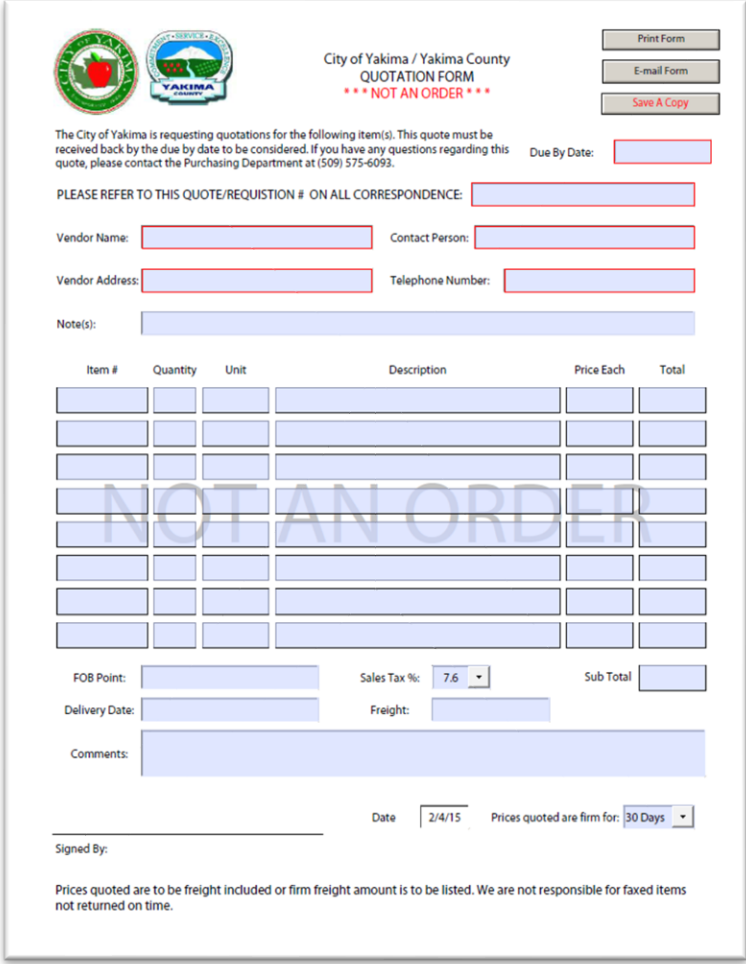
F. **EMPLOYEE RECOGNITION, BUSINESS MEETINGS & BREAKROOM SUPPLIES POLICY ADM 1-725** is available on ICE.

G. **PROCEDURE TO OBTAIN INFORMAL (\$10,000to \$49,999) QUOTES (Purchasing involvement required):**

Department/Division personnel may obtain informal quotes (phone or written) using the Quote Form provided on ICE. **DEPARTMENT/DIVISION PERSONNEL DO NOT HAVE THE AUTHORITY TO CONFIRM (PLACE) THE ORDER within this dollar range.** This is done by Purchasing after reviewing the quotes, unless purchasing has given you specific written instructions otherwise. If your quote is of a complex nature, let Purchasing obtain the quotes for you to ensure everything is apples-to-apples; otherwise:

- 1) Division contacts three vendors for quotations. Be sure technical information defines acceptable quality and ensure vendors are quoting on equal and comparable items. All vendors must be provided the same information. If one vendor offers an acceptable alternate, **new quotes must be requested, using the alternate specifications.**
- 2) The City will not pay for any technical information from the vendor. If the information is to be shared with other vendors, it must be stated so up front. If you use a vendor's technical information without their approval, you may find yourself in a legal tangle.
- 3) On-site demonstrations or delivery of preview/trial merchandise should be arranged with the Purchasing Division beforehand. Just because you have received a demonstration of someone's product, does not mean you will be able to buy it. Competition may still be required.
- 4) Complete the "Quotation Form" found on ICE. Obtain freight pricing (FOB Destination), if not indicated by vendor. Include vendor contact information in case we need to get ahold of them.
- 5) Enter a requisition into Cayenta. Use a buyer ID of a Purchasing Division employee as assigned and indicate recommended vendor on your requisition form. Route Quotation forms to Purchasing.
- 6) Vendor selection is made by Purchasing on the recommendation of the requesting division personnel, considering price, quality and product availability.
- 7) Purchase order is issued and order is confirmed by Purchasing, unless previously approved otherwise.
- 8) Quote documentation is attached to purchase order and filed in Purchasing for auditing and document retention.

(QUOTE FORM IMAGE BELOW. FILLABLE FORM CAN BE FOUND ON ICE.)



The City of Yakima is requesting quotations for the following item(s). This quote must be received back by the due by date to be considered. If you have any questions regarding this quote, please contact the Purchasing Department at (509) 575-6093.

Due By Date:

PLEASE REFER TO THIS QUOTE/REQUISITION # ON ALL CORRESPONDENCE:

Vendor Name:  Contact Person:

Vendor Address:  Telephone Number:

Note(s):

Item #	Quantity	Unit	Description	Price Each	Total
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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FOB Point:  Sales Tax %:  Sub Total:

Delivery Date:  Freight:

Comments:

Signed By: \_\_\_\_\_ Date:  Prices quoted are firm for:

Prices quoted are to be freight included or firm freight amount is to be listed. We are not responsible for faxed items not returned on time.

#### H. **PROCEDURE FOR FORMAL BIDS or RFP's - Over \$49,999 (Purchasing involvement required):**

Sealed Bids/RFP's are required whenever the cost of materials, supplies, equipment, or *ordinary* services exceeds \$50,000 Per Article VI. Section 6 of the [Yakima City Charter](#). **Purchasing must be involved in the formal process** and will help you determine whether a Bid or RFP is warranted.

Responsibilities for the Bidding/RFP process are shared by Purchasing and the Division. Responsibilities are as follows:

##### 1) **Division's Duties in the Bidding/RFP Process**

- a. Determine the need.
- b. Notify the Finance Department regarding any budget transfers or amendments needed to cover funding.
- c. Contact Purchasing to discuss your project.

- d. Complete Cayenta requisition using Buyer ID of the Purchasing Buyer who has been assigned your project.

**FOR AUDIT:** Purchasing *may* allow you to place the order yourselves, once the contract has been set up. If you don't receive this instruction, assume Purchasing must place the order. **In the Subject Field of the header section of the PR, notate the name and number of the contract that you are using,** (e.g. bid number, state contract number, sole source, etc.). Verify that the vendor is charging you the correct price. Not identifying which existing contract the item(s) are covered under may result in an Improper Purchase Procedure inquiry being sent to your Department Head.

- e. Route technical specifications, as well as a list of potential vendors, to Purchasing. **(Do not alter our BID/RFP template.)**
- f. Perform final review of technical specifications and be prepared to answer technical questions from vendors. Any information that needs to be disseminated to all vendors shall be done as an addendum issued by Purchasing. If applicable, attend pre-bid meeting and answer technical questions.
- g. **AWARD:** After bids have been opened, recommend award on form provided. Bid must be awarded for the most responsive bid from a responsible bidder. If recommendation for award is being made to anyone other than the low bidder, attach memo stating specific reasons why the low bid is not acceptable. RFP's are awarded to the vendor who scored the most points on predetermined evaluation criteria. Don't reveal status of your recommendation to the vendor. Refer vendors with questions to Purchasing.
- h. **POOR PERFORMANCE?** When things go wrong, don't remain silent! Contact Purchasing and let us remedy the problem. Remember to **DOCUMENT, DOCUMENT, DOCUMENT!** Even if you have had on-going problems with a vendor, we will have a very hard time canceling a contract or not awarding them a new contract, unless we have proper documentation of the problem.

## **2) Purchasing's Duties in the Bidding Process**

- a. Receive technical specifications from division.
- b. Assemble bid package and check for legalities.
- c. Route to division for final review.
- d. Arrange pre-bid conference, if applicable, to invite bidders to discuss bid requirements and specifications.

- e. Establish bid opening date and place ad in newspaper.
- f. Distribute bid packages to vendors and maintain accurate vendor records.
- g. Conduct bid opening with Clerk.
- h. Tabulate bids and verify responsiveness.
- i. Review recommendation of award.
- j. If Purchasing agrees with division's recommendation, bid is routed to City Manager for approval.
- k. Place the order.
- l. Administer bid for the life of the contract (e.g. price increases, lapses in insurance coverage, bonding, prevailing wage, etc.).

### 3) SPLITTING UP ITEMS TO AVOID A BID? **NOT LEGAL!**

- a. **Issuing several PO's under the bid/quote threshold to avoid a competitive process is against state law.**
- b. Combine the total of foreseen **identical** items purchased at the same time or **similar** items (or items that are **used together**) within a calendar years' time, in which the cost exceeds bid/quote threshold or when it is determined by Purchasing that volume discounts can be obtained by combining City-wide usage, (e.g. office supplies, laundry services, janitorial paper products, etc.).

### 4) ALTERNATIVES TO BIDDING:

#### a. Inter-Governmental Cooperative Purchases

RCW [39.34.030](#) permits governmental agencies to utilize other entities' contracts without going to bid. Contact Purchasing to determine if "interlocal" purchasing is feasible for your division's particular need. The following criteria must first be met:

- There must be an Interlocal Purchasing Agreement, approved by Council and signed by both parties, on file in Purchasing.
- It must be a current contract with interlocal language included.
- It must have been advertised on the entity's web page and competitively bid.
- The government entity, and the vendor, must be willing to share their contract pricing.

- A complete copy of the contract must have been reviewed by Purchasing. Purchasing will set up a bid file and track as if it were our own bid process.
- If one-time purchase, Purchasing will place the order. If ongoing, Department may request permission to order themselves.
- b. Purchases at **Auctions**, per [RCW 39.30.045](#)
- c. An **Emergency** has been declared (see Section XIII)
- d. **Alternative Public Work Processes** (E.G. GCCM, Design Build, JOC). See Engineering for more information.
- e. **Sole Source** (see Section XIV)

## VII. HOW TO PURCHASE CONSTRUCTION (Public Work) ACTIVITIES:

Dollar thresholds of when competition is required are summarized below. It is the Division Managers'/Department Heads' responsibility to appoint who shall order work for their department on the City's behalf under the quote threshold.

### Is it Maintenance or Repair?

- 1) Maintenance is defined as keeping existing facilities and components in good, usable, operational condition.
- 2) Repair fixes facilities or parts/components that are already broken and is always a public work.

#### A. "LIMITED PUBLIC WORK"

Is your project between \$10,000 and \$34,999? The City uses a streamlined process for work within this dollar range, as allowed by RCW [39.04.155](#). **Contact Purchasing first to discuss the process!** *\*We may have an **on-call** contract that any department can use, saving you time and money.*

**Purchasing involvement is required for "Limited Public Work".**

B. **THRESHOLDS for Public Works (This is State Law):**

CITY	
\$ -0- to \$9,999	Competition not required (therefore Purchasing Involvement <b>NOT</b> required). <b>Prevailing Wage and Insurance still required!</b>
\$10,000 to \$34,999	Utilize “Limited Public Work” process as described in <a href="#">RCW 39.04.155</a> (3). <b>Purchasing Involvement Required</b> (see procedure below).
\$35,000 to \$349,999	Utilize “Small Works Roster” process as described in RCW <a href="#">39.04.155</a> . <b>Contact Engineering</b> at 575-6112 for assistance.
Over \$350,000	Must be competitively bid as described in RCW <a href="#">39.04</a> ; <a href="#">35.22.620</a> . <b>Contact Engineering</b> at 575-6112 for assistance.

C. **HOW MANY QUOTES DO I HAVE TO GET WHEN USING THE SMALL WORKS ROSTER (SWR) FOR CONSTRUCTION (non-A&E) – RCW 39.04?**

- <\$10,000: Competition not required, though you still need to obtain a certificate of insurance and pay prevailing wages.
- \$10K to \$34,999: Solicit electronic or written quotations from **3** contractors in applicable category of SWR (**work with Purchasing**).
- \$35,000 - \$150,000: Solicit electronic or written quotations from **5** contractors in applicable category of SWR (**work with Engineering**).
- \$150,000 - \$349,999: Solicit electronic or written quotations from **ALL** contractors in applicable category **or solicit from 5 contractors and notify ALL** (**Work with Engineering**).
- >\$350,000: Must use **Formal Bid Process** above Small Works Roster limits (**work with Engineering**).

CLICK [HERE](#) FOR MRSC’S “Small Works Roster: A guide for Washington’s Local Governments”.

**D. PROCEDURE FOR “LIMITED PUBLIC WORK” per RCW [39.04.155\(3\)](#) - \$10,000 to \$34,999 Purchasing Involvement Required.**

Contact Purchasing first to discuss the process! *\*We may have an on-call contract you can use.*

- For Limited Public Work (\$10K to \$34,999), it is no longer possible to just meet contractors at your work site, give them the run-down on what you need done and ask for quotes. State Law has changed such that now contractors must be handed a packet of information ahead of time with requirements about Responsible Bidder’s Criteria, Prevailing wage, Insurance, and some general protective clauses.
  - From ICE you can download the Limited Public Works Invitation to Quote Packet that is ready to customize and be given to contractors. They can fill out this information and return it to you with their quote.
  - From ICE you can download the required Certificate of Insurance Sample.
- Department utilizes Small Works Roster at [www.mrscrosters.org](http://www.mrscrosters.org) to download a bidders list based on selected trade(s) (obtain sign-in ID and password from Purchasing). A quick user guide can also be found on ICE.
- Department solicits at least 3 quotes (can notify all on roster).
- Department arranges pre-bid conference, if applicable, to invite contractors to discuss technical specifications and view site.
- Department routes requisition and paperwork through Purchasing for confirmation.
- No advertisement required.
- Bid Bonds Optional.
- Payment/Performance Bonds Can Be Waived.
- Retainage Can Be Waived.
- Prevailing Wage Intents/Affidavits required.
- Insurance required.



## E. DISADVANTAGED AND MINORITY VENDORS

In June 1983, Council passed Resolution No. D-4816, *Women and Minority Business Enterprise Policy*. It is the policy of the City of Yakima that women and minority business enterprises shall have the maximum opportunity to participate in the performance of work relating to the City's activities. To this end, the City is committed to take all necessary and reasonable steps in accordance with state and federal rules and regulations to ensure women and minority business enterprises are given the maximum opportunity to compete for and to perform contracts.

**Yakima Transit** updated its DBE Goal October 2016. The entire Program and Goal Methodology can be found in Section 3.3 of the Transit Procurement Manual found on ICE. A Public Notice and link to the DBE Program may be found on the City's Purchasing webpage [HERE](#).

## F. INSURANCE/LICENSES/PREVAILING WAGES

When hiring anybody to do anything for the City, there are multiple requirements that need to be met.



### 1. Certificates of Insurance

Before any contractor is allowed to work on City property (no matter the dollar amount of the work), contact Purchasing to determine if a Certificate of Insurance is required. If required, the contractor must furnish the City with a Certificate of Insurance, naming the City of Yakima as primary & noncontributory **additional insureds with an additional attached endorsement**. The \$2million commercial/\$2million auto certificate of insurance sample can be found on ICE.

Certificates of Insurance are a complex issue, so please contact Purchasing! We will happily discuss Insurance requirements and what the limits of coverage should be, according to how much risk is involved (Insurance requirements are determined by the City Legal Department).

Purchasing now tracks ALL certificates of insurance that the City receives.

### 2. Responsibility Criteria for Contractors: **Worksheet for Contractors found on ICE**

- a. Washington State Contractor's License/Federal Registration –It is unlawful for the City to hire anyone to do construction work on our property that does not have a valid State of Washington Contractor's License - **Period**. If someone is not properly licensed, DO NOT HIRE THEM. You may look up a Contractor, Electrician or Plumber at: <https://secure.lni.wa.gov/verify>
- b. Department of Revenue Business Records Database:

Go to: <https://dor.wa.gov/> and click “look up a business” in the “I want to...” window.

- c. Verify Workers’ Compensation Premium Status:

<https://secure.lni.wa.gov/verify>

- d. Check for debarment:

[State of Washington](#)

#### **Federal Debarment**

It is unlawful to hire any firm to do business with the City/County that is not registered and in good standing with the US Government. You can check the status of an entity so see if they have been debarred [HERE](#). Print out the resulting page (even if no records were found) and file it with your paperwork for audit.

**...or call Purchasing and we will look them up for you.**

### **3. City of Yakima Business License**

A City of Yakima Business License is also required for any business working inside the City limits. The contractor may contact the Building Permits Division at 575-6121 for more information or click this [LINK](#).

### **4. Prevailing Wage Requirements**

Chapter [39.12](#) RCW is the **Washington State Public Works Act**, also known as the Prevailing Wage Law. This law requires that workers be paid certain hourly wages for all public work and public service maintenance contracts, **NO MATTER WHAT THE DOLLAR AMOUNT!** Click [HERE](#) for the State’s booklet on Prevailing Wage.

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



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

**Owner/Operators** that do not have any employees do not need to pay themselves prevailing wages; however, **they do still need to file Intents and Affidavits** with the Department of Labor and Industries and specify on form in the space provided that they are Owner/Operator.

#### **EXAMPLES**

Public Work is all work, construction, alteration, repair or improvement that the City has performed at its expense. It includes, but is not limited to:

- Demolition
- Remodeling

- Renovation
- Painting
- Road Construction
- Utilities Construction
- Offsite prefabrication of ducts, liners & steel products for Public Work
- Production & delivery of gravel, rock, concrete & asphalt (to a construction site (not to a stockpile)

Any worker, laborer or mechanic performing public work must be paid prevailing wages. It does not usually apply to work that is clerical, executive, administrative or professional (grant funded projects may be an exception).

#### **DIVISION RESPONSIBILITIES TO ENSURE PREVAILING WAGE LAW IS FOLLOWED:**

- 1) ***Prior to Getting an Estimate or a Quote*** – Notify the contractor that they are to pay prevailing wages. The contractor may obtain more information from the Department of Labor and Industries (see link to booklet above). They may also contact Purchasing at 509 575-6093 and we will provide them with a copy of the most recent wage rates listing for Yakima County. The list can also be obtained online at: <https://secure.lni.wa.gov/wagelookup/>
- 2) ***After a contractor has been selected*** – The contractor is required to file a “Statement of Intent to Pay Prevailing Wages” with the Department of Labor and Industries PRIOR TO STARTING WORK. Most contractors file online at:

<http://www.lni.wa.gov/TradesLicensing/PrevWage/default.asp>

There is a fee that the contractor will have to Pay L & I, and the completed Intents are also available online. **Note:** The contractor must insert the City Purchase Order number in the contract number box on the form.

- 3) ***After the work is completed*** – The contractor must also file an “Affidavit of Wages Paid” with the Department of Labor and Industries. There is another fee that the contractor will have to pay to L & I (**L & I has waived the fee for work <\$750.00**), and completed Affidavits are also available online. **Note:** The contractor must insert the City Purchase Order number in the contract number box on the form.

Final payment must not be released by the City until certified intents and affidavits have been posted as approved by L&I on their website. Call Purchasing if you need help looking them up.

- 4) **FOR PROJECTS BETWEEN \$10,000 and \$35,000**  
Purchasing will take care of all the above requirements utilizing the “Limited Public Works” process, per [RCW 39.04.155\(3\)](#).

## VIII. HOW TO PURCHASE ARCHITECT AND ENGINEERING SERVICES:

A & E's are hired following the rules in [RCW 39.80](#). City Departments must follow the "Contracting for Architects and Engineers Manual" available on Purchasing's ICE page.

## IX. HOW TO PURCHASE ORDINARY OR "PURCHASED" SERVICES:

"Ordinary/Purchased Services" are those provided by vendors for routine, necessary and continuing functions of a local agency, mostly relating to physical activities. Ordinary services are usually bid through Purchasing, because there is so much competition available. **There are lots of ordinary services that require prevailing wages - - Check with Purchasing.**

- Repetitive, routine, or mechanical in nature; – following established or standardized procedures
  - Contribute to the day-to-day business operations
  - Completion of assigned and specific tasks.
  - Decision-making is routine or perfunctory in nature
  - May require payment of prevailing wages
- Examples include:
  - Delivery/courier service
  - Landscaping
  - Building maintenance (janitorial)
  - Herbicide application service
  - Recycling/disposal/litter pickup service
  - Vehicle inspection, lubricating and repair services
  - HVAC system maintenance service (without repair)

## X. HOW TO PURCHASE PROFESSIONAL SERVICES:

"Professional Service Contract" means an agreement with an independent contractor for providing professional services to the City. The City does not provide direction to the provider other than the circumstances that are stated in the terms of the contract.

There is not a state law requiring Professional Service Contracts over \$50,000 to be bid, however it is the City Manager's discretion to direct Professional Services to be bid/quote through Purchasing when the total cost in a calendar years' time exceeds \$50,000.

**The Legal Department must review and the City Manager must sign all Professional Service Contracts, regardless of dollar amount.**

Examples:

- Medical and Dental
- Legal Services
- Management Consulting
- Accounting and Auditing
- Real Estate Broker

## **XI. HOW TO PURCHASE PERSONAL SERVICES:**

A “Personal Service Contract” is an **employment contract** with an independent contractor for providing personal services to the City. Personal Service means hiring a consultant to provide professional or technical expertise to accomplish a specific study, project, task or other work statement according to RCW [39.29.006](#).

It is the City Manager’s discretion to direct Professional Services to be bid/quote through Purchasing when the total cost in a calendar years’ time exceeds \$50,000.

**The Legal Department must review and the City Manager must sign all Personal Service Contracts, regardless of dollar amount.**

Examples:

- Artistic Designs
- Class Instructions for Parks Division Activities
- Referees



## **XII. HOW TO LEASE:**

1. **Bids are *not* required on equipment leases, however Legal must review and the City Manager must approve all equipment leases. Leasing is usually the most expensive way to finance a purchase. Contact Finance to see if an “Internal Lease Option” will allow you to achieve a reduced monthly payment.**
  - a. Legal Review – Send to Legal for review.
  - b. Fiscal Approval - Review proposals with the Finance Dept. prior to budgeting the expense. Lease-to-own purchases are to be budgeted and accounted for as if the total expense is to be incurred when the item is purchased.

- c. Lease Approval - City Manager must approve all Equipment Leases and may opt to send lease to Council for approval if he so desires.



- d. To exercise the purchase option of a lease, route to the City Manager for approval.

**2. Lease vs. Rent:** Leasing is generally used for mid to long-term contracts. Renting is usually a short-term solution that is more casual. If you are confused on if you need a contract, contact Legal.

### XIII. HOW TO DECLARE AN EMERGENCY:

Emergency situations are basically a single source and must follow the procedures below. The city must follow fiscal approval limits as set forth in ADM Policy 2-200 available on the Human Resources ICE page. **When a true “Disaster” is declared, refer to Yakima Municipal Code Chapter 6.06.010.**

**Emergency purchases** occur when an emergency situation arises that was unforeseen and must be remedied immediately.

Examples: Acts of God, (i.e. flood damage); machinery that is critical to the operation of the City and rendered out of service.

#### **City procedure to obtain an Emergency Purchase Order:**

1. Division recognizes an emergency situation has developed.
  - a) Division estimates cost to correct the emergency.
  - b) Division identifies potential vendor/contractor to perform service/supply materials. **(DON'T FORGET PREVAILING WAGES AND INSURANCE FOR PUBLIC WORKS...they still apply!)**
2. **Division staff obtains appropriate verbal approval** from Division Manager and/or Department Director.
3. Division initiates remedy to emergency (contacting vendor/contractor).
4. Division contacts Purchasing the **next business day** to obtain a preliminary “Emergency Purchase Order Number” and initiates the “Emergency Purchase Order Justification form”, found on ICE, after-the-fact (image included on next page).
  - a) The form will require the vendor/contractor name, reason for emergency, materials and/or work required, and anticipated costs. Route for Signatures.

5. Division Requisitioner enters requisition into CAYENTA, with the words **“Emergency PO NO. \_\_\_\_”** in the PR Subject Field. **(Failure to do this may result in an “Improper Purchase Procedure” sent to your Division Manager, since the person auditing will not know if this was an approved purchase).** Contact Purchasing and provide them with the Requisition number.
6. Once the Emergency PO Justification form is fully signed, return to Purchasing for logging and safekeeping for auditing purposes.
7. Emergencies over \$50,000 must be ratified (after-the-fact) by City Council via Resolution.

**NOTE:** Division Managers will receive an annual report to review emergency purchase requests received from their division.

**(EMERGENCY FORM BELOW. FILLABLE FORM FOUND ON ICE)**



# \_\_\_\_\_ E

## City of Yakima

### Emergency Purchase Order Justification

Requestor Name:	Your Department/Division:
Requestor Phone:	Requisition (PR) Number:
Requested Vendor:	Cost Estimate (incl. TAX):
Vendor's Address:	Vendor E-Mail :
Vendor Contact Name:	Vendor Phone:

1. What is the emergency situation? Describe damages or loss of property or essential services that are/may be a result of this emergency. (Attach extra sheet if necessary.)

2. What labor and/or materials are required? Attach a copy of your quote or estimate.

3. Did vendor quote prevailing wages, if applicable (e.g. repairs, construction, maintenance)?

Yes ☐ No ☐

4. Was vendor informed of the Intent and Affidavit filing requirements with L&I?

Yes ☐ No ☐

5. Does vendor have a current certificate of insurance on file with the City? Check ICE:  
<http://cityice/purchasing/contractor-list/>

Yes ☐ No ☐

#### STATEMENT OF NEED:

*My division's recommendation for an emergency purchase order and waiver of the quote or bid requirements is based upon an objective review of the emergency situation and appears to be in the best interest of the City.*

*I understand that if this purchase is over \$24,999, or if any change orders to this purchase increase the amount to \$25,000 or over, that our division must initiate and prepare necessary information (Resolution) to advise City Council that there has been an emergency situation requiring immediate action.*

1. _____ Signature of Division Manager	_____ Date
2. _____ Signature of Department Head	_____ Date
3. _____ Recommendation of Approval by Purchasing Manager	_____ Date
4. _____ Approval by City Manager	_____ Date

**Please complete entire form and forward to Purchasing.**  
Purchasing will forward to the City Manager for final approval.

## XIV. HOW TO DECLARE A SOLE SOURCE (or Single Source):

**PURCHASING INVOLVEMENT REQUIRED.** On a case by case basis, the bid or quote requirement may be waived and a sole/single source purchase approved, in accordance with [RCW 39.04.280](#). There should be careful deliberation before going to a sole/single source as this type of purchase eliminates competition and tends to drive up prices.

### Authority to Approve Sole/Single Source Purchases

City Manager..... Over \$10,000 to \$49,999

City Council ..... Over \$50,000



A **sole** source is where there is only ONE supplier of the product or service. A **single** source is where the vendor is “one vendor amongst others”, when other competitive sources may be available.

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

1. **Standardization or compatibility** to existing City standard or to existing equipment, inventory, systems, data, programs or service.
2. **Licensed or patented** product with only one dealer (and the license or patent is paramount to your procurement).
3. **Only** authorized Service Provider, Repair and/or Warranty Services, e.g. warranty may be negated if you let someone else work on it.
4. **Unique design:** Requires unique features that are essential, aesthetic requirements, or not practical to match to existing design or equipment. Document the unique specifications that are needed, which will drive the research in finding a product that fits the specific needs of your department.
5. **Special Market conditions:** Can be used to purchase items at auction (RCW [39.30.045](#)) or other items that are offered at a very favorable price and will be sold before an entity will have a chance to complete the bidding process (e.g. a flood is coming and you must obtain sandbags immediately) or perhaps funds must be expended immediately, or there is a critical delivery date.


**NOTE:** Any sole/single source utilizing **Federal Grant money** must also include 1) Written responsibility determination for the successful contractor and; 2) Basis for contract price (**Cost Price Analysis** – Contact Purchasing for form). Each Grantee must evaluate and state its justification for the contract cost or price.

#### A. Procedure to obtain sole source purchase approval:


1. **Call Purchasing first** to discuss. Purchasing can often offer alternatives to sole/single sourcing, (e.g. piggybacking contracts, etc.).
2. Fill out the Sole/Single Source Justification Form found on ICE (shown below) and forward to Purchasing for recommendation. If time allows, Purchasing will publish a “Notice of Intent to Sole/Single Source” in the Yakima Herald Republic and online, following existing rules for advertising bids. Council approves over \$50,000.

3. Enter a requisition into Cayenta and use Buyer ID of the Purchasing Division employee who has been assigned the project. State "sole/single source" in the Subject Field of the Purchase Requisition (PR).
4. If over \$50,000 Division initiates a Resolution, supported by the necessary information justifying a sole/single source exists and routes to the Legal Department. Department attaches Sole Source Justification Form to Resolution and uploads into NOVUS.
5. Once approved, **Purchasing will place the order**, unless Purchasing has given written permission for the division to order it themselves.

(SOLE/SINGLE SOURCE FORM IMAGE BELOW. FILLABLE FORM FOUND ON ICE.)



**City of Yakima/Yakima County**  
**SOLE/SINGLE SOURCE JUSTIFICATION**  
 Revised January 2018



Your Name	Your Department/Division
Your Phone	Requisition Number
Requested Vendor	Cost Estimate (Including TAX)
Vendor's Address City, State & Zip	Vendor e-mail & Website
Vendor Contact Name	Vendor Phone

1. ARE FEDERAL FUNDS BEING USED? ☐ YES ☐ NO

If Federal Funds are being used, a Cost Price Analysis, prior to requesting Sole Source, MUST also be attached. (See City/County Purchasing Manual for form).

2. What are you purchasing? Describe product, service or system. Attach all information (Quotes, etc.).

\*\*\* Below are eligible reasons for sole source. Check all boxes below that apply to your sole source situation and attach any useful documents to justify the sole source. List who you contacted, what they said and how you verified their accuracy.

☐ **Compatibility/Standardization** to existing City/County standard or to existing equipment, inventory, systems, data, programs or service. Describe. List efforts to find other sources (attach documentation, e.g. Internet Screenshots, etc.).

☐ **Patented Product.** Attach documentation to confirm propriety (patent letter, etc.) and describe why the patented features are critical to your operation.

☐ **Only Authorized Service Provider, Repair and/or Warranty Services.** Attach proof in writing from the MANUFACTURER (not the vendor) confirming there is only one dealer authorized to sell/service in our area.

☐ **Unique design:** Requires unique features that are essential, aesthetic requirements, or not possible to match to existing design or equipment. Document the unique specifications that are needed which drove the research in finding a product that fits the specific needs of your department. Explain why these features are critical to your operation.

Is written certification attached? ☐ YES ☐ NO

☐ **Special Market conditions:** Can be used to purchase items at auction (RCW 39.30.045) or other items that are offered at a very favorable price and will be sold before and entity will have a chance to complete the bidding process (e.g. a flood is coming and you must obtain sandbags immediately), or only one supplier can meet required delivery date (describe why the delivery date is critical and list efforts to find other suppliers to meet the delivery date).

☐ **Other Please Describe**

3. Is this product/service available only through one vendor? ☐ YES ☐ NO  
 If yes, attach documentation that supports the screening process you performed to confirm. (e.g. Internet Screenshots, etc.)

4. Is this a one-time purchase? ☐ YES ☐ NO  
 If NO, explain.

5. Why is this a sole source vendor? (tell the story).

6. What efforts were made to assure the City/County is receiving the lowest or best price possible? Describe and attach a document showing due diligence.

**STATEMENT OF NEED/CONFLICT OF INTEREST**  
 My division's recommendation for sole source is based upon an objective review of the good/service being required and appears to be in the best interest of the City/County. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favor, or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

Signature of Requester	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	Date	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>
Signature of Division Manager	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	Date	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>
Signature of Department Head	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	Date	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>
Signature of approval by Purchasing Manager	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	Date	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>
Approval by Executive	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	Date	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>

**Please complete entire form and forward to Purchasing.**

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Clear Form Page 1 of 2

## XV. DISPOSAL OF SURPLUS PROPERTY

Refer to Disposal of Surplus Property Policy available in the Administrative Code Book, Policy No. 3-100 found on Human Resource's ICE page.

## XVI. TRADE-INS

Trade-Ins are allowed on new purchases if approved by Purchasing in advance. Trade-Ins must be negotiated, documented at “Fair Market Value” by the Division, and declared surplus ahead of time (through Purchasing) by the City Manager if under \$15,000 and City Council if over \$15,000.

Fair Market Value can be obtained by finding comparable units that have been sold at online auctions, e.g. [www.publicsurplus.com](http://www.publicsurplus.com); [www.Ebay.com](http://www.Ebay.com); [www.rockanddirt.com](http://www.rockanddirt.com); [www.ironplanet.com](http://www.ironplanet.com) or other online sources such as Edmonds.com, Kelley Blue Book, or NADA. Also, [www.govdeals.com](http://www.govdeals.com) is a good place to find auction results for comparables.

Trade-Ins may also be requested ahead of time in the Bid Specifications as a “Guaranteed Buy Back”. Work with Purchasing if you would like to consider this option.

## XVII. CAYENTA PROCEDURES

City employees can visit [ICE](#) on the intranet to view Cayenta Procedures and Guides.

## XVIII. FREIGHT

### 1. Shipping Terms

Whenever you are shipping an item that will incur freight charges, always request that it be shipped *FOB destination, freight prepaid*. What this means is that the vendor you ordered the merchandise from owns it until it reaches your door and there won't be a separate invoice for freight. If anything should happen to the merchandise during shipping, the vendor (not the City) is responsible for filing the claims with the carrier.

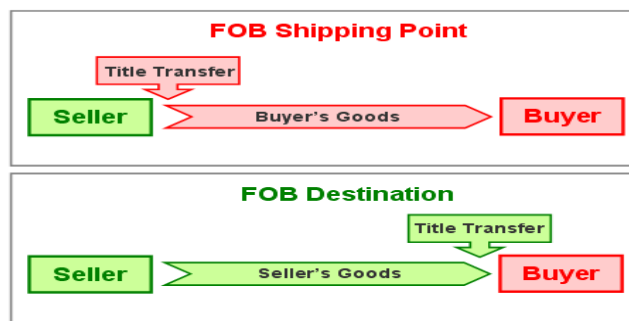
FOB determines at what point the ownership transfers. If an item is FOB origin, the City owns the merchandise from the point of shipping while it is in transit.

Freight prepaid or collect refers to who is responsible for paying shipping charges - the City or the seller.

### 2. Receiving Freight

*It is the responsibility of the individual who signs for UPS or Carrier's delivery receipt to properly receive all cartons they are signing for. Anyone who accepts and signs for receipt of goods, acknowledges that the item was received and accepted as delivered.*

#### a. Get what you sign for



- 1) Confirm the package or carton is being delivered to the proper location.
- 2) Verify the number of cartons, crates or pieces is correct according to quantities on the packing slip.
- 3) Sign the delivery slip legibly so that we can track who did the receiving.
- 4) Open packages and verify order is correct.

### **3. Damaged Cartons**

#### **a. Visible Damage**

Any person receiving freight must make a notation on the Carrier's delivery receipt of apparent damage to packages. State the specific type of damage on the delivery receipt and obtain the driver's signature (not just initials) on your copy of the receipt.

#### **b. Concealed Damage**

If the shipment of goods received showed no sign of damage upon receipt, but damage to the contents is found upon opening, concealed damage exists.

- 1) Call the Carrier immediately upon discovery of the damage and request an inspection. Notate the date and the person contacted.
- 2) Notify the vendor to file a claim.
- 3) All shipping cartons should be retained for inspection on any damage.
- 4) When making a request for an inspection, advise the Carrier whenever possible on the value of the damaged goods. If the value is less than \$50.00, most carriers will frequently waive inspection. Indicate person contacted on the claim form.
- 5) When an inspection is made, specific damages should be notated by both parties and signed by both on the inspection report. Send report to the vendor.



## DEFINITIONS

**Acknowledgment** -- A form used by a vendor to advise a purchaser that his order has been received. It usually implies acceptance of the order.

**ARO** -- After receipt of order.

**As Is** -- A term indicating that goods offered for sale are without warranty or guarantee. The purchaser has no recourse on the seller for the quality or condition of the goods.

**Bill of Lading** -- A carrier's contract and receipt for goods by which he agrees to transport from one place to another and to deliver to a designated person.

**Capital Outlay** -- Fixed assets of which the value exceeds \$5,000 including freight and tax.

**Cash Discount** -- A discount offered to the City to encourage payment of an invoice on or before its due date.

**Change Order** -- Purchaser's written authority to the supplier to modify or add to a purchase order. Change orders are created by Purchasing (other than Capital Improvements).

**Contract** -- A contract is a legally binding and enforceable agreement between two or more parties stating the terms and conditions for an exchange of something of value (usually money, goods, or services) between the parties. A contract can take many different forms, ranging from major, heavily negotiated written contracts to a simple PO or telephone order for goods or services. Legal should be contacted if there is uncertainty as to the need for a written contract and how to go about it. Only the City Manager of the City of Yakima has the authority to sign contracts UNLESS they have delegated their authority over to an individual via approved Resolution.

**Controlled Commodity** -- Items which may fall under the quote dollar limit that require approval from designated people, e.g. office products, communication equipment and computer equipment.

**Emergency Purchases** -- Emergency purchases occur when an emergency situation arises that was unforeseen and must be remedied immediately.

**Expediting** -- Attempt to reduce the contractually agreed upon delivery time of a product.

**F.O.B. (Free (or Freight) on Board)** -- The stated F.O.B. point is usually the location where title to the goods passes from the seller to the buyer. The seller is liable for transportation charges and the risks of loss or damage to the goods up to the point where title passes to the buyer. The buyer is liable for such charges and risks after passing of title.

**Lead Time** -- The period of time from date of ordering to the date of delivery which the buyer must reasonably allow the vendor to prepare goods for shipment.

**Ordinary Services** – The furnishing of labor, time, or effort by a contractor or vendor, not involving the delivery of any specific end product, other than reports that are incidental to the required performance or general service work performed such as backhoe, landscape, Janitorial, window washing, repairs to things other than personal property, training, surveys, etc.

**Packing List** -- A document which itemizes in detail the contents of a particular package or shipment.

**Payment Discount** -- See Cash Discount.

**Personal Service Contract** – An employment contract with an independent contractor for the rendering of personal services to the City. The City Manager must sign all Personal Service Contracts.

**Prepaid** -- Transportation charges that have been or are to be paid at the point of shipment.

**Professional Service Contract** -- An agreement with an independent contractor for the rendering of professional services to the City. The City does not provide direction to the provider. The City states a goal and objective and the provider, under his own direction, accomplishes the goal.

**Public Work** -- A project including all work, construction, alteration, repair or improvement other than ordinary maintenance executed at the cost of the City.

**Request For Proposals** -- Similar to the formal bid process, except that factors other than price are used to award the contract.

**Sealed Bid (Formal Bid)** -- An advertised solicitation for a requirement in which the cost exceeds the \$50,000 bid limit. The bids are opened during a public opening.

**Specification** -- A clear, complete, and accurate statement of the technical requirements descriptive of a material, an item, or a service.

**Standardization** -- When it is necessary to standardize to one type of item because of uniformity or interchangeable parts issues. Authorization for standardization is obtained from Purchasing.

**Visible Damage** -- Broken cartons, crushed or wet cartons, or markings which indicate that the shipment of goods may have received rough treatment in transit with consequent damage to the contents.