



# Finance, Budget and Administration

Jim Martin

**Council Initiated:**

Yes

No

**ECAF:** 2024-1042

**Ordinance:** 24-043

**Type:**

- Contract
- Board Appt.
- Code Amendment
- Budget Action
- Other

**Requested Handling:**

- Normal
- Expedite
- Urgent

**Fund Source:**

- General Fund
- Other
- N/A

**Executive Rec:**

- Approve
- Do Not Approve
- N/A

**Approved as to**

**Form:**

- Yes
- No
- N/A

**Subject:**

Relating to purchases and contracts; updating references; and amending Chapter 3.04 Snohomish County Code.

**Scope:**

Section 1 of this ordinance amends chapter 3.04.015 (exemptions). Where the current section of code indicates what shall be exempt from the requirements of the chapter, the proposed language breaks down the exemptions between what is exempt from the competitive requirements of the chapter, and what is exempt from both the competitive component as well as the contracting component of the chapter. While some purchasing activities may be exempt from the competitive process, such as care, training, or professional services for the physically and/or mentally ill by any county agency, foods, some subawards, debt collection, etc., they would still be subject to the contracting requirements of this chapter. Other purchasing activities, such as settlements of claims for taxes or damages, contracts of employment, insurance and surety bond purchases, subawards where the program has been specifically authorized by the County Council, professional accreditations, licenses, fees, and dues necessary for employees to fulfill assigned job duties, etc. will be exempt from both the competitive process and the contracting component of this chapter.

Section 2 of this ordinance amends chapter 3.04.135 (small works, roster). In addition to basic language cleanup, this change also adds a subsection: "The small works roster process shall include direct contracting provisions for projects estimated to cost less than \$150,000, not including state sales tax."

Section 3 amends chapter 3.04.140 (Award, execution, by whom). Changes to this section clarify the levels of approval allowed by code. Additions to the code include a provision to allow for the executive or their designee to "award and approve subsequent amendments to contracts for services approved by county council where such amendments in aggregate increase the original contract by no more than \$100,000 or 20%, whichever is lower." This is to align sections of code for consistency (3.04.140(6)), as well as to clear up ambiguity due to current code being silent on amendments. Also added to code is language that authorizes the executive or designee to approve contracts for \$500,000 or less for a "county subscription or county membership in a trade or industry organization for which sufficient appropriation authority exists and which implement programs, projects, or functions the county council has specifically authorized by motion or ordinance". This is to address a potential audit issue for items typically authorized in the budget in Nondepartmental (EASC, WSAC, NACO, etc.)

# Finance, Budget and Administration

Jim Martin

Section 4 amends chapter 3.04.170 (Rebid contracts), by changing the previous language of “with good and reasonable justification by the authority charged with awarding the contract involved” to “for good cause”, to simplify code.

Section 5 amends chapter 3.04.175 (Public Works Contracts). In addition to slight language changes, this amendment adjusts authority levels for job order contracts for public works projects. Contracts for \$350,000 or less are currently authorized by the Executive. The proposed change would authorize the manager to approve contracts \$350,000 or less, and the Executive to approve contracts for \$500,000 or less.

Section 6 amends chapter 3.04.180 (proprietary purchases). This code change authorizes sole source contracts to be approved by the Executive, unless approval by Council is required under the charter or other provisions of this chapter. Currently this authority lies with the director.

Section 7 amends chapter 3.04.202 (Services for which competition is waived). The head of this section currently reads “Competition for the following services values from at least \$10,000 is waived by the county executive or designee”. The proposed code change removes “by the county executive or designee”.

Section 8 amends chapter 3.04.265 (Reporting). The proposal included here is to add subawards from the reporting requirements of code, meaning those contracts would not be required to be entered into Legistar. At the request of the Executive’s Office, the proposed substitute ordinance removes this proposal.

Section 9 amends chapter 4.46.141 (Personal property-Disposition of surplus property), and section 10 amends chapter 4.46.201 (County property-Authority to approve disposition of surplus property). These changes are to update the section of code referred to in each chapter, as the referenced language is now in a different code section.

Section 11 indicate that sections 2 and 5 shall take effect on July 1<sup>st</sup>, while “all other sections shall take effect ten days after signature by the County Executive of otherwise enacted”.

**Background:** This is a follow-up ordinance to the purchasing code changes adopted by Council in August of 2023.

# Finance, Budget and Administration

Jim Martin

**Requested Action:** Move to GLS on July 3<sup>rd</sup> to set time and date for a public hearing.