

Ordinance No. 694

An ordinance amending the City's procurement processes utilizing a Small Works Roster pursuant to RCW 39.90.151-154 to include adopting a direct contracting/negotiation provision, and addressing retainage requirements for lower amount small works contracts

WHEREAS, Forks Municipal Code Chapter 2.80 establishes the requirements for the City to utilize a 'Small Works Roster' system for procurement of work and labor related to public works;

WEHREAS, the City of Forks decided to participate in a state wide, multi-agency small works roster process administrated by Municipal Research Services as permitted by FMC Chapter 2.80;

WHEREAS, the dollar amount limiting the use of a small works roster has been increased significantly and the City's existing code provisions is substantially lower;

WHEREAS, a means of direct contracting has been established, and the City's procurement requirements need to be amended to permit this form of acquiring work and labor on public works projects;

WHEREAS, state law also permits the waiver of retainage in certain cases, but the City's procurement requirements are silent on this matter;

WHEREAS, amendments to Forks Municipal Code Chapter 2.80 is warranted;

BASED THEREON, THE CITY COUNCIL OF THE CITY OF FORKS DOES ORDAIN AS FOLLOWS:

Section 1. Amending FMC 2.80.020 – Costs. Forks Municipal Code 2.80.020 is hereby amended with the underlined text replacing the stricken text.

FMC 2.80.020 – Costs. The city need not comply with formal sealed bidding procedures for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost does not exceed ~~\$200,000~~ \$350,000, or the dollar amount set by the state in RCW 39.04.152(1)¹, which includes the costs of labor, material, equipment and sales and/or use taxes as applicable. Instead, the city may use the small works roster procedures for public works projects as set forth herein. 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.

¹ Substitute House Bill 2420 adopted in 2026 has already set this threshold for the next four years as follows:

- a. \$350,000 or less until December 31, 2026;
- b. \$530,000 or less from January 1, 2027, to June 30, 2027;
- c. \$560,000 or less from July 1, 2027, to June 30, 2028;
- d. \$590,000 or less from July 1, 2028, to June 30, 2029;
- e. \$620,000 or less from July 1, 2029, to June 30, 2030; and
- f. \$650,000 or less beginning July 1, 2030

Section 2. Amending FMC 2.80.060 (2) – Telephone or Written Quotations. Forks Municipal Code 2.80.060 is hereby amended with the underlined text replacing the stricken text.

- (2) Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, the process of direct contracting/negotiating may be utilized in the manner described elsewhere in this chapter. ~~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 in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.~~

~~If the estimated cost of the work is from \$100,000 to \$200,000, the city may choose to solicit bids from less than all the appropriate contractors on the appropriate small works roster but must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought. The city has the sole option of determining whether this notice to the remaining contractors is made by:~~

- ~~(a) Publishing notice in a legal newspaper in general circulation in the area where the work is to be done;~~
- ~~(b) Mailing a notice to these contractors; or~~
- ~~(c) Sending a notice to these contractors by facsimile or other electronic means.~~

Section 3. Adding FMC 2.80.065 – Direct Contracting/Negotiating. Forks Municipal Code Chapter 2.80 is amended by adding the following new provisions:

FMC 2.80.065 – Direct Contracting/Negotiating for Small Work Projects

- (1) The City may use as an alternative procurement process for labor and work to the process described elsewhere herein or within the associated state laws when the total estimate of the small work to be performed is an amount is less than \$100,000.

In that case, the City may utilize a process of direct contract with small businesses, as defined by the State statute, on the City adopted small works roster without a competitive process as found herein.

- (2) If the adopted small works roster has at least six (6) or more contractors meeting the state's definition of a small business, and such small businesses have indicated their interest to perform work in the geographical area of the Olympic Peninsula, the City may seek to directly contract with the contractors on the adopted small works roster; PROVIDED THAT within a twelve month period following such use of direct contracting, the City utilizes a different contractor on subsequent city projects of a same or significantly similar nature.
- (3) If the adopted small works roster has five (5) or less contractors meeting the state's definition of a small business, the City may direct contract with any contractor on the applicable roster. However, on each subsequent project, the City must: (a) review the adopted small works

roster to reassess the number of available contractors; and, (b) not utilize the same contractor more than two consecutive times in any given twelve (12) month period.

(4) The City establishes that its small, minority, women, and veteran-owned businesses utilization plan shall require the following:

(a) Statutory notice of small, minority, women, and veteran-owned businesses on the adopted small works roster of the City's intent to engage in direct contracting will be provided by;

- i. Publication of this intent will be undertaken in the City's journal of record at least annually;
- ii. Notice shall also be placed in a prominent location identifying the City's utilization of an adopted small works roster, as well as the City's intention to utilize direct contracting as permitted by state law emphasizing the want to engage and contract with small, minority, women, and veteran-owned businesses participating in the City's adopted small works roster;
- iii. Notice of this intent will identify the adopted small works roster utilized by the City, the manner and means in which small, minority, women, and veteran-owned businesses may seek inclusion into such rosters for future inclusion, and contact information for those small, minority, women, and veteran-owned businesses seeking such inclusion.

(b) When invited, or when staffing time permits, staff participation in local and regional efforts undertaken to encourage small, minority, women, and veteran-owned businesses to engage and enroll in small works rosters including that adopted by the City.

(c) Additional approaches to effectuating this specific plan associated with direct contracting may be developed as procedures to be utilized by the Mayor and their designated city staff to further the inclusion of small, minority, women, and veteran-owned businesses in City small works projects.

Section 4. Amending FMC 2.80.080 – Award. Forks Municipal Code 2.80.080 is hereby amended with the underlined text replacing the stricken text.

2.80.080 Award. The mayor or their designee shall present all ~~telephone~~ quotations/bids and recommendation for award of the contract to the lowest responsible bidder to the city council. However, for public works projects under ~~\$30,000~~ \$75,000 or the amount as established by state law for cities with the same classification as Forks, whichever is greater, the mayor shall have the authority to award public works contracts without city council approval; provided, that the mayor or their designee presents to the council a quarterly summary of the use of the roster when the amount for a specific project is less than ~~\$30,000~~ \$75,000. For public works projects over ~~\$30,000~~ \$75,000, or the amount as established by state law for cities with the same classification as Forks, whichever is greater, the city council shall award all public works contracts pursuant to this chapter.

Section 5. Adding FMC 2.80.085 – Waiver of, or alternatives to retainage on small sum small works projects. Forks Municipal Code Chapter 2.80 is hereby amended with this added new provision:

FMC 2.80.085 – Waiver of, or alternatives, to retainage on small sum Small Work Projects

Unless otherwise stated in the solicitation, there will be no required retainage or performance bond required of the contractor awarded the small works contract having a total dollar amount of less than five thousand dollars (\$5,000) of any higher amount as established by state law.

Section 6 Effective Date. This ordinance shall be in full force and effect five-days after being published in the City's journal of record as required by state law.

Passed by the City Council during a regularly scheduled meeting held on 13 July 2026,
and approved by the Mayor thereafter.



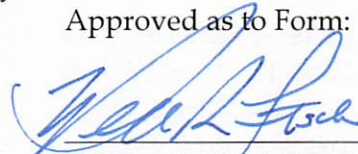
Tim Fletcher, Mayor

Authenticated and Attested to:



Caryn Depew, Clerk/Treasurer

Approved as to Form:



William R. Fleck, Attorney/Planner