

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING  
OLYMPIA MUNICIPAL CODE 3.16 RELATING TO ALTERNATIVE PUBLIC WORKS  
CONTRACTING PROCEDURES**

**WHEREAS**, the Revised Code of Washington (RCW) provides for alternative public works contracting in certain situations; and

**WHEREAS**, the City of Olympia wishes to adopt the procedures for the use of alternative public works contracting to use in certain situations; and

**WHEREAS**, the procedures are set forth in RCW Chapter 39.10 and includes processes for design-build, general contractor/construction manager, and job order contracting; and

**WHEREAS**, the City of Olympia wishes to adopt these processes and procedures by reference into the Olympia Municipal Code to benefit the public by providing a potentially more effective means of completing certain public works projects; and

**WHEREAS**, the City of Olympia wishes to adopt the procedures for the use of alternative public works contracting to use in certain situations; and

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 3.16.** Olympia Municipal Code Chapter 3.16 is hereby amended to read as follows:

Chapter 3.16  
CONTRACTS

3.16.000 Chapter Contents

Sections:

- [3.16.010](#) Purpose.
- [3.16.020](#) City Council Approval.
- [3.16.030](#) City Manager Approval.
- [3.16.040](#) City Manager Authorized to Delegate Certain Execution Authority.
- [3.16.050](#) City Manager Authority--Rules and Regulations for Contracting.
- [3.16.055](#) Documents to be Filed with the City Clerk.
- [3.16.060](#) Small Works Roster Established.
- [3.16.070](#) Method of Establishment of Small Works Roster.
- [3.16.080](#) Procedure for Utilization of Small Works Roster.
- [3.16.090](#) Posting of Small Works Roster Awards.
- [3.16.100](#) Public Works Construction Contracts--Change Order Level of Authority.
- [3.16.120](#) Public Works Construction Contracts--Bond Reduction.
- [3.16.130](#) Alternative Public Works Project Procedures Adopted by Reference

**3.16.010 Purpose**

The purpose of this chapter is to establish a uniform practice for approval and execution of City of Olympia contracts, ensure City Council review of important and legally required contracts and other legal instruments, provide for efficient, streamlined preparation and execution of other contracts not requiring Council review, while also ensuring accountability by limiting the number of individuals authorized to

execute contracts on the City's behalf. In addition, the purpose is to delegate to the City Manager authority to establish rules for competitive bidding where required by law and the acquisition of goods, services, and materials so long as such rules are with sound management practices and designed to secure the best quality for a fair price. The final purpose is to provide procedures for the creation and operation of a small works roster.

### **3.16.020 City Council Approval**

The following documents and instruments shall be presented to the City Council for approval prior to their execution by the City Manager:

A. Interlocal agreements: All contracts, agreements, memoranda of understanding, or other documents between the City of Olympia and any other governmental agency or agencies that are entered into pursuant to the supplemental authority for the City to contract in Chapter [39.34](#) RCW.

B. Instruments pertaining to real property: any contract, agreement, lease, easement, bill of sale, or other instrument pertaining to the City's use, disposition, conveyance, or acquisition of real property.

Exceptions:

- (1) An acceptance by the City in its regulatory capacity of a dedication from a development is not subject to Council approval.
- (2) Temporary construction licenses are not subject to Council approval.
- (3) The City Manager is authorized to sign the following without further City Council approval: All instruments pertaining to the City's use, disposition, conveyance, or acquisition of real property by whatever method, provided that such transaction is associated with a capital improvement project that has been previously approved by Council.

C. Any contract, agreement, or other document with a cost over \$350,000.

### **3.16.030 City Manager Approval**

A. The City Manager or the City Manager's designee, is authorized to approve and execute on behalf of the City of Olympia any contract, agreement, or document not otherwise subject to OMC [3.16.020](#) and costing up to, and including, \$350,000.

B. The City Manager or the City Manager's designee, is authorized to:

1. declare any public work an emergency, if it meets the criteria outlined under RCW [39.04.280](#). A written finding of the emergency must be filed with the City Clerk no later than two weeks following contractor award of such work.
2. make written policies governing the waiver of competitive bidding requirements, provided the purchase or project qualifies for waiver under RCW [39.04.280](#), or other state or local law. Immediately following contract award, the contract and the factual basis for the exemption from public bidding must be recorded and open for public inspection.
3. make a final decision to deem a contractor not-responsible and/or to reject bids for any public works project that falls within the City Manager's contract authority under this chapter.

### **3.16.040 City Manager Authorized to Delegate Certain Execution Authority**

The City Manager is authorized, but not required, to delegate to an Assistant City Manager or their designee; or a department director or their designee; the authority to approve and execute on behalf of the City of Olympia any contract, agreement or document not otherwise subject to OMC [3.16.020](#) and with an amount equal to or less than the amount delegated to the City Manager.

### **3.16.050 City Manager Authority--Rules and Regulations for Contracting**

The City Manager is authorized to establish written rules and regulations for the construction/acquisition of public works, and the procurement of goods, services, and materials by the City. Such rules and regulations shall be governed by sound management practices designed to secure the best quality at a fair price and comply with applicable state and federal laws and regulations. As such rules and regulations are established, copies shall be sent to the City Council; provided, however, that inadvertent failure to send such rules and regulations to the City Council shall not be grounds to invalidate any action by the City Manager or the City Manager's designee which is otherwise lawful. The City Manager is authorized to revise the rules and regulations from time to time as circumstances change or as the City Manager may, in the City Manager's discretion, deem appropriate.

### **3.16.055 Documents to be Filed with the City Clerk**

One (1) original of any document governed by OMC [3.16.020](#) through [3.16.040](#) shall be filed with the City Clerk; provided, however, that failure to so file any such document shall not invalidate or excuse performance of any obligations contained therein.

### **3.16.060 Small Works Roster Established**

The City Engineer or the City Engineer's designee (collectively hereafter Engineer) is authorized and directed to establish a City construction contractor's small works rosters comprised of all contractors who request to be on the rosters and who are, where required by law, properly licensed or registered and bonded to perform contracting work in the State of Washington.

### **3.16.070 Method of Establishment of Small Works Roster**

The City of Olympia may establish the small works roster through contract with the Municipal Research and Services Center of Washington (MRSC) to adopt for City use those statewide electronic databases for small public works rosters developed and maintained by MRSC. At least once per year, on behalf of the City, MRSC shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to appropriate MRSC Roster(s) at any time that they submit a written request and necessary records. The City may require master contracts to be signed that become effective when a specific award is made using a small works roster.

### **3.16.080 Procedure for Utilization of Small Works Roster**

A. The small works roster may be utilized, in lieu of advertising or requesting formal bids, as follows:

1. Whenever the City seeks to construct any public work project in which the total estimated cost, including costs of materials, supplies, labor, and equipment is within the threshold defined in RCW [39.04.152](#)(1).

2. When the small works roster is utilized, the City shall invite written or electronic proposals from all appropriate contractors on the appropriate small works roster. The City Engineer shall establish procedures for securing telephone, written, or electronic quotations.
3. The invitation to the contractor on the small works roster shall include an estimate of the scope and nature of the work to be performed, materials and equipment to be furnished, and time required for completion. However, detailed plans and specifications need not be included in the invitation. This subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes.
4. When awarding a contract for work under the small works roster, the City shall award the contract to the contractor submitting the lowest responsive, responsible bid; provided, however, that the City reserves its right under applicable law to reject any or all bids, and to waive procedural irregularities.
5. A contract awarded from a small works roster under this section need not be advertised.
6. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by at least one of the following: telephone or electronic request.

B. 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.

### **3.16.090 Posting of Small Works Roster Awards**

When the City utilizes the small works roster procedure as established in OMC [3.16.080](#) to award contract for public works projects, the City shall post a list of the contracts awarded under OMC [3.16.080](#). The list shall contain the name of the contractor awarded the contract, the amount of the contract, a brief description of the type of work performed, and the date of the award, and shall be posted on the City's electronic web page.

### **3.16.100 Public Works Construction Contracts--Change Order Level of Authority**

The City Manager or the City Manager's designee is authorized to approve change orders with a cumulative total of \$350,000 or less for any project. Council approval is required for cumulative change orders totaling over \$350,000 for a project, except when such approval is deemed "urgent" by the City Manager. An "urgent" change order is defined as one where delay in implementation could cause environmental or property damage or endanger public safety, as determined by the City Manager. An "urgent" determination may also be made when delays are estimated to cost the City of Olympia \$1,000 or more per day.

### **3.16.120 Public Works Construction Contracts--Bond Reduction**

As authorized by RCW [39.08.030](#)(1)(a), the City may, at its option, reduce the amount of a performance bond to not less than 25 percent of the total contract amount for public works contracts.

### **3.16.130 Alternative Public Works Project Procedures Adopted by Reference**

The Olympia City Council has determined that, in certain cases, use of alternative public works contracting procedures may serve the public interest better than traditional public works procedures so long as such alternative procedures are implemented in an open and fair process based on objective criteria. For that reason, the following alternative public works project procedures in Chapter 39.10 of the

Revised Code of Washington (RCW) for design-build, general contractor/construction manager, and job order contracting are hereby incorporated by reference. These alternatives shall not be construed to affect or modify the existing powers of the City of Olympia except to the extent the procedures are authorized by the City Council for a particular public works project. When so authorized, the normal contracting or procurement limits or requirements for City of Olympia public works projects imposed by statute, ordinance, resolution, or regulation shall be deemed waived or amended only to the extent necessary to accommodate these alternative procedures for a particular public works project.

<u>RCW 39.10.210</u>	<u>Definitions</u>
<u>39.10.300</u>	<u>Design-build procedure—Uses</u>
<u>39.10.320</u>	<u>Design-build procedure- Project management and contracting requirements</u>
<u>39.10.330</u>	<u>Design-build contract award process</u>
<u>39.10.340</u>	<u>General contractor/construction manager procedure-Uses</u>
<u>39.10.350</u>	<u>General contractor/construction manager procedure-Project management and contraction requirements</u>
<u>39.10.360</u>	<u>General contractor/construction manager procedure-Contract award process</u>
<u>39.10.370</u>	<u>General contractor/construction manager procedure-Maximum allowable construction cost</u>
<u>39.10.380</u>	<u>General contractor/construction manager procedure-Subcontract bidding procedure</u>
<u>39.10.385</u>	<u>General contractor/construction manager procedure-Alternative subcontractor selection process</u>
<u>39.10.390</u>	<u>General contractor/construction manager procedure-Subcontract work</u>
<u>39.10.400</u>	<u>General contractor/construction manager procedure-Prebid determination of subcontractor eligibility</u>
<u>39.10.410</u>	<u>General contractor/construction manager procedure-Subcontract work</u>
<u>39.10.420</u>	<u>Job order procedure-Public bodies may authorize and use</u>
<u>39.10.430</u>	<u>Job order procedure-Contract award process</u>
<u>39.10.440</u>	<u>Job order procedure-Contract requirements</u>
<u>39.10.450</u>	<u>Job order procedure-Work orders</u>
<u>39.10.460</u>	<u>Job order procedure-Required information</u>
<u>39.10.470</u>	<u>Public inspection of certain records-Protection of trade secrets-Protection of documents submitted</u>
<u>39.10.490</u>	<u>Application of alternative public works contracting procedures</u>
<u>39.10.908</u>	<u>General contractor/construction manager method for heavy civil construction projects-Requirements</u>

**Section #2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section #3. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section #4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section #5. Effective Date.** This Ordinance shall take effect after passage and publication, as provided by law, on January 20, 2026.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
SENIOR DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**