



## City Council

### Ordinance Amending OMC Chapter 3.16 Regarding Contracts

**Agenda Date:** 1/8/2013  
**Agenda Item Number:** 4.E  
**File Number:** 12-0814

---

**Type:** ordinance **Version:** 1 **Status:** Passed

---

**Agenda Item:**

Ordinance Amending OMC Chapter 3.16 Regarding Contracts

**Issue:**

This amendment updates the municipal code and streamlines the processes and procedures for public works contracting for the City, resulting in more efficient and effective project management.

**Committee Recommendation:**

Not referred to a committee.

**City Manager's Recommendation:**

Move to approve on first reading December 18, 2012 and forward to second reading on January 8, 2013 the Amendment to the Contracts Ordinance - Chapter 3.16 of the Olympia Municipal Code.

**Staff Contact:**

Mark Russell, P.E., Public Works Technical Services, 360.753.8762.

**Presenter(s):**

None. This is a Consent Calendar item.

**Background and Analysis:**

The City regularly constructs capital projects and, therefore, has an interest in the efficient administration of public works contracting. Periodically, City staff reviews processes and procedures to identify and evaluate opportunities for greater efficiency.

City staff has determined that revising certain public works contracting processes and procedures in Olympia Municipal Code Chapter 3.16 will simplify project management. For example, some sections of Chapter 3.16, such as change order level of authority, are complicated and time consuming to administer. Streamlining this process will decrease staff time spent on contract administration, saving project management costs. In addition, providing the City Manager explicit authority to manage public works contracting issues in alignment with the City Manager's contract authority promotes greater consistency and reduces project delays and costs. Procedures are already in place to ensure Change Orders are necessary and cost effective.

Finally, City staff reviews the Municipal Code from time to time to ensure the accuracy of the references contained within and, in doing so, found that RCW 43.19.1911 has been repealed by the legislature effective January 1, 2013, making it necessary for the City to update references to that statute.

This amendment modifies several components of OMC Chapter 3.16, briefly summarized as follows:

- Updates small works roster section to make it consistent with the Revised Code of Washington, removing references to RCW 43.19.1911, which has been repealed by the legislature effective January 1, 2013;
- Authorizes the City Manager to (1) declare an emergency and waive competitive bidding in accordance with criteria outlined in state law and, (2) deem contractors not responsible and reject bids within the City Manager's contract authority (contracts of \$300,000 or less);
- Simplifies the change order provisions, allowing the City Manager to approve change orders of \$300,000 or less. This is in alignment with the City Manager's contract authority, and would not change City Council's overall capital budget authority.

**Neighborhood/Community Interests (if known):**

None.

**Options:**

1. Approve on first reading and forward to second reading the Amendment to the Contracts Ordinance - Chapter 3.16 of the Olympia Municipal Code.

This will update the Municipal Code, streamline processes, and increase efficiencies in the administration of public works contracting.

2. Approve portions of the Amendment to the Contracts Ordinance - Chapter 3.16 of the Olympia Municipal Code.

Some efficiency in the administration of public works contracting may be gained, depending upon which updates are approved.

**Financial Impact:**

Approving this amendment has no direct financial impact. Future savings in project budgets would be realized through the amended policies and procedures.