BOARD OF PUBLIC WORKS
1976

BOARD OF PUBLIC WORKS [redacted] 1976

[redacted]

UNRECORDED SUBJECT FILE

CENTRAL FILE

BPW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

December 29, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Contract Administration Charges - Ordinance 106002

The City Council has amended Ordinance 102688 to increase the Board of Public Works' charge for administration of public works contracts. This amendment is identified as Ordinance 106002 and is attached.

Effective on contracts begun on or after January 1, 1977, the charge for Board of Public Works administration will be $5.50 per day from date of execution to date of acceptance of the work for each and every public works contract, with the exception of contracts for consulting services, other service contracts and tree or plant establishment portions of landscaping contracts.

BLM:k

Att.

SEATTLE ENG DEPT
~~Dec 30~~ 1-3 '77 2 24 PM ~~'76~~

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
~~PBW~~		
AEM/DR		
	LK	
BRP		

WEPS
PMB
JGR

RECEIVED
DEC 3
SECRETARY
BOARD OF PUBLIC

20453

ORDINANCE 106002

AN ORDINANCE amending Section 1 of Ordinance 99492 to increase contract administration charges of the Board of Public Works as of January 1, 1977.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That as of January 1, 1977, Section 1 of Ordinance 99492, as last amended by Ordinance 102608, is further amended to read as follows:

Section 1. That there is hereby imposed a charge of Five and 50/100 Dollars ($5.50) per day from date of execution to date of acceptance of the work as to each and every public works contract administered by the Board of Public Works with the exception of contracts for consulting services, other service contracts, and tree or plant establishment portions of landscaping contracts. Such charge shall be computed by the Secretary of the Board of Public Works and billed to the department or fund for which such contract is administered, and the receipts therefrom shall be deposited in the General Fund.

Section 2. (30 day ending)

Approved, Approved NOV 29 1976
Eff. 30 Days

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

December 15, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary

Re: Damage to Utilities by Contractors

The Board of Public Works has been advised by the Corporation Counsel that there have been problems with contractors denying responsibility for damage to utilities during work performed on public works projects.

We believe that Sections 5-1.09 and 5-1.10 of the Standard Specifications for Municipal Public Works Contracts are clear in this matter. The contractor is responsible for any damage done to any street or other public property or damage to utilities, etc. He shall, at his own expense, completely repair any damages caused by his operations, to the satisfaction of the Engineer.

The Board discussed the issue at some length and determined that each department should be aware of any such damage to utilities when the job is being supervised and the contract specifications should be enforced during progress of the work. There are several ways in which this can be handled--such as withholding payments until agreement has been reached on payment of the damages, or holdout on the project funds at time of acceptance of the contract. It is a little late to wait until the project is finished before trying to work something out, and results most often in litigation.

Therefore, the Board asked that you submit recommendations for appropriate wording to be incorporated in the Specifications, which would stipulate that these sections of the Standard Specifications would be enforced and estimates on payments for work done would be held up unless these provisions are met.

Please submit suggested wording within the next 30 days.

BLM/jw

cc: Jim Blair -
Assistant Corporation
Counsel

ROUTING	DATE	INITIAL
ACTION		
AEM	LK	
FILE		
INFORMATION		
~~PAW~~		
EWK		

DEC 16 8 51 AM '76

SEATTLE ENG DEPT

Bd of Public Works

106002

ORDINANCE 106002 CF

AN ORDINANCE amending Section 1 of Ordinance 99492 to increase contract administration charges of the Board of Public Works as of January 1, 1977.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That as of January 1, 1977, Section 1 of Ordinance 99492, as last amended by Ordinance 102688, is further amended to read as follows:

Section 1. That there is hereby imposed a charge of FIVE AND 50/100 Dollars ($5.50) per day from date of execution to date of acceptance of the work as to each and every public works contract administered by the Board of Public Works with the exception of contracts for consulting services, other service contracts, and tree or plant establishment portions of landscaping contracts. Such charge shall be computed by the Secretary of the Board of Public Works and billed to the department or fund for which such contract is administered, and the receipts therefrom shall be deposited in the General Fund.

Section 2. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 22nd day of November, 1976, and signed by me in open session in authentication of its passage this 22nd day of November, 1976.

SAM SMITH,
President of the City Council.

Approved by me this 29th day of November, 1976.

WES UHLMAN,
Mayor.

Filed by me this 29th day of November, 1976.

Attest: E. L. KIDD,
City Comptroller and City Clerk.

(Seal) By W. ANGEVINE,
Deputy Clerk.

Publication ordered by E. L. KIDD, Comptroller and City Clerk.

Date of official publication in the Daily Journal of Commerce, Seattle, December 1, 1976.

(C-759)

Appr. 11-29-76

BPW

MSC:mlk
11-3-76

ORDINANCE 106002

AN ORDINANCE amending Section 1 of Ordinance 99492 to increase contract administration charges of the Board of Public Works as of January 1, 1977.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That as of January 1, 1977, Section 1 of Ordinance 99492, as last amended by Ordinance 102688, is further amended to read as follows:

Section 1. That there is hereby imposed a charge of Five and 50/100 Dollars ($5.50) per day from date of execution to date of acceptance of the work as to each and every public works contract administered by the Board of Public Works with the exception of contracts for consulting services, other service contracts, and tree or plant establishment portions of landscaping contracts. Such charge shall be computed by the Secretary of the Board of Public Works and billed to the department or fund for which such contract is administered, and the receipts therefrom shall be deposited in the General Fund.

CBS 10.2

106002

(To be used for all Ordinances except Emergency.)

Section 2 This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 22 day of November, 1976, and signed by me in open session in authentication of its passage this 22 day of November, 1976.

President of the City Council.

Approved by me this 29 day of November, 1976.

Mayor.

Filed by me this 29 day of November, 1976.

Attest:

City Comptroller and City Clerk.

(SEAL)

By

Deputy Clerk.

Published

CSS 8.1.6

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

November 18, 1976

To: All Board Members

From: Betty L. McFarlane
Executive Secretary

Re: Board meeting of December 29, 1976

Since we have no plans for opening bids, we suggest that there be no regular session of the Board of Public Works December 29, 1976 as business would be very limited and many people will be off for the holidays.

We will discuss this action at the November 24, 1976 meeting of the Board.

BLM:wb

ROUTING	DATE	INITIAL
ACTION		
FILE		
INFORMATION		
Law		
M STAFF		

SEATTLE ENG DEPT
Nov 19 8 39 AM '76

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

November 18, 1976

To: All Board Members

From: Betty L. McFarlane
Executive Secretary BLM

Re: Board meeting of December 29, 1976

Since we have no plans for opening bids, we suggest that there be no regular session of the Board of Public Works December 29, 1976 as business would be very limited and many people will be off for the holidays.

We will discuss this action at the November 24, 1976 meeting of the Board.

BLM:wb

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
Pam Paw		
M STAFF		

SEATTLE ENG DEPT
NOV 19 8 39 AM '76

BPW

PAUL A. WIATRAK, CITY ENGINEER

Seattle
Board of Public Works

Betty L. McFarlane, Executive Secretary
Wes Uhlman, Mayor

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
~~PAW~~		
PMB		
AEM		
WGJ		
WEPS		
JGR		
RRP		

SEATTLE ENG DEPT
NOV 17 10 18 AM '76

November 15, 1976

Re: Board of Public Works
Achievements

Mayor Wes Uhlman
City of Seattle

Dear Mayor Uhlman:

On October 22, 1976, you requested that all departments provide you with an analysis of achievements during the last seven years, including any unsolved problems which should be addressed next year and any broad changes in emphasis or philosophy which have occurred during this same period.

As you are aware, the function and responsibility of the Board of Public Works is to efficiently and properly manage public works activities and regulate use of public street area. The goal has always been to maintain a high degree of professional integrity in performing these Charter duties and administering the various ordinances which act as a vehicle for implementation of these activities. We believe the Board's major achievement, of course, is the realization of these goals. By proper regulation, the Board has continued to protect the interest of the City and keep costs and duplication of efforts down on public works projects. Rules and procedures are continually being updated to conform with changing needs, laws, federal and City requirements. It is the Board's role to be alert to the need for such change.

The Board instigated an ordinance to lower bidding requirements, bonding and insurance on demolition projects $20,000 and under. This legislation allows contractors just getting started in business, with little collateral, to gain background and experience necessary to go forward with major projects later. The Board also produced an ordinance draft, which was authorized by the Council, allowing the City to give preference to Model Neighborhood contractors on public works projects, implementing Federal CDA Letter 11 and the Model City program. The Board is responsible to administer these ordinances and has been instrumental in drafting and working out details of the following:

Board of Public Works Department, 303 Municipal Building, Seattle, Washington 98104, (206) 625-2266
Board of Public Works: Paul A. Wiatrak, P.E., Chairman, City Engineer; David L. Towne, Supt. of Parks and Recreation; Kenneth M. Lowthian, Supt. of Water; Gordon Vickery, Supt. of Lighting; Alfred Petty, Supt. of Buildings.

1. Harbor Code - to clean up and provide control and regulation of waterways within the City.

2. Comprehensive Sign Ordinance - involving on-premise as well as off-premise signs, establishing control, maintenance and construction requirements and prohibiting off-premise nondirectional signs directly supported in public street right of way.

3. Traffic Code Update - to be consistent, among other things, with changes in the State Uniform Traffic Code.

4. Newsstand Ordinance - this Ordinance was developed by the Board with assistance from concerned entities and passed by the City Council to effect regulation over the proliferation of newsstands in public area (the City has since been restrained from implementation of the Ordinance by court action, which is pending. We are attempting to arrive at a compromise ordinance with news vending people which will answer the needs of all.)

5. 1% for Arts - the Board assisted in the drafting of the first 1% for Arts Ordinance and in updating same.

6. Equal Employment Opportunities Ordinance - the Board helped develop the City's first EEO Ordinance, which has been very successful and has worked with the Human Rights Department over the years in all facets of affirmative action on public works projects to assure compliance of contractors with City and federal EEO requirements.

These are some of the Ordinances which the Board has supported, worked to develop and/or administers. Another area in which the Board is involved is working with citizens, contractors, governmental agencies and others to bring people together to resolve conflicts, or to effect workable solutions to problems and needs. We have a City/Metro agreement for passenger shelters and a written agreement with UNICO relative to the use of the downtown University Tract. There have been meetings with user departments, OMB and General Services to reach a better understanding of new vehicle lease rates and services. These meetings resulted in providing necessary information to General Services allowing them to better equate the user departments' needs for services in the future.

1. Harbor Code - to clean up and provide control and regulation of waterways within the City.

2. Comprehensive Sign Ordinance - involving on-premise as well as off-premise signs, establishing control, maintenance and construction requirements and prohibiting off-premise nondirectional signs directly supported in public street right of way.

3. Traffic Code Update - to be consistent, among other things, with changes in the State Uniform Traffic Code.

4. Newsstand Ordinance - this Ordinance was developed by the Board with assistance from concerned entities and passed by the City Council to effect regulation over the proliferation of newsstands in public area (the City has since been restrained from implementation of the Ordinance by court action, which is pending. We are attempting to arrive at a compromise ordinance with news vending people which will answer the needs of all.)

5. 1% for Arts - the Board assisted in the drafting of the first 1% for Arts Ordinance and in updating same.

6. Equal Employment Opportunities Ordinance - the Board helped develop the City's first EEO Ordinance, which has been very successful and has worked with the Human Rights Department over the years in all facets of affirmative action on public works projects to assure compliance of contractors with City and federal EEO requirements.

These are some of the Ordinances which the Board has supported, worked to develop and/or administers. Another area in which the Board is involved is working with citizens, contractors, governmental agencies and others to bring people together to resolve conflicts, or to effect workable solutions to problems and needs. We have a City/Metro agreement for passenger shelters and a written agreement with UNICO relative to the use of the downtown University Tract. There have been meetings with user departments, OMB and General Services to reach a better understanding of new vehicle lease rates and services. These meetings resulted in providing necessary information to General Services allowing them to better equate the user departments' needs for services in the future.

The Board is continually involved in various projects. One which was guided by the Board in the past was Project 27-plus. The goal was to establish some standards for beautification and upgrading of the public right of way. Out of this came many good ideas for street furniture, including standards for lighting, traffic control devices, bus shelters, newsstands, signing, etc.

The above is just a brief description of work, participation and accomplishments of the Board over the past few years. There have been few problems which could not be worked out, and that is, we think, another major achievement. However, one matter which continues to be a concern, and which in our opinion should be addressed next year, is Senate Bill 2143. This new state law requires that all public works projects over $10,000, or $15,000 for watermains, must go to bid. This amount is drastically low, and we have directed all Board departments to document the hardship that this Bill has placed on the City of Seattle so that this evidence can be provided the legislature for amendments to the Bill as soon as possible.

Over the past seven years, public works projects have averaged in the area of $27,000,000 per year. This has been a productive period and it is hoped that federal and other funds will be available for necessary improvements and continued upgrading of the City in the future.

Yours very truly,

BOARD OF PUBLIC WORKS

Paul A Wiatrak

Paul A. Wiatrak
Chairman

BLM/jw

cc: All Board of
Public Works Members

BPW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

October 21, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Optional Form 66 - Delete

On October 1, 1976 a memorandum was sent to all Board of Public Works Members concerning HUD bid conditions and listing the forms to be included in projects funded by the Department of Housing and Urban Development. The next to the last paragraph of that memo requested that Optional Form 66 be included in such specifications. Since that time, word has been received that this form is now obsolete. A new form, designated Standard Form 257, will be used but does not need to be included in the specifications.

BLM:ehk

cc: Len Koski, Engineering
R. L. Snyder, Building
E. Hennebry, Building
W. Rashkov, Water
John Hansen, Lighting
Evelyn Larson, Parks
Vivian Caver, Director Human Rights Dept.
Ancil Potter, Area Director HUD

Copy: Human Rights Dept

Orig: Federal Aid

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
~~Pub~~		
ASM/LK		

SEATTLE ENG DEPT
OCT 21 11 27 AM '76

BPW

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
QEM/LK		
WEB/EMW/REB		

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

MEMORANDUM

SEATTLE ENG DEPT
OCT 4 11 42 AM '76

✓October 1, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: HUD Bid Conditions

The Regional Office of the Department of Housing and Urban Development has advised contracting agencies and the Board of Public Works that all projects assisted by HUD Federal funds have new bid conditions effective September 1, 1976. The present Bidder's Certification for the Federal government will no longer be a part of the bid package.

A copy of the new Bid Conditions is attached. HUD explains that the amendment of the HUD Bid Conditions will eliminate the signature and fill-in-the-blank requirements of the former Bid Conditions. The new Federal EEO Bid Conditions clearly notify prospective bidders that they will be committed to the goals contained therein by submitting a properly signed bid. The new Model Federal EEO Bid Conditions make the affirmative action requirements binding on all bidders who submit signed bids.

Effective September 1, 1976, all contracting and administering agencies were directed to adopt the new Model Federal EEO Bid Conditions for inclusion in all future invitations for bids on all non-exempt Federal and Federally-assisted construction contracts awarded in areas covered by hometown plans (Part I) and Part II EEO requirements. All other forms of Federal EEO Bid Conditions containing hometown plans and Part II EEO Bid Condition requirements now in use for such areas are not to be included in Invitations for Bid after adoption of the new Model Federal EEO Bid Conditions.

In accordance with these requirements, all departments of the Board of Public Works are directed to incorporate the new Bid Conditions into all HUD funded specifications assembled after September 1, 1976.

The Bidder's Check List will also have to be changed to exclude the requirements for signing the Bidder's Certification on HUD funded projects. Please modify the check list as follows:

Orig: Federal Aid
Copy: Human Rights Dept

BIDDERS ARE CAUTIONED THAT THE SPECIAL PROVISIONS CONTAIN A NONCOLLUSION AFFIDAVIT; INSTRUCTIONS FOR CONTRACT COMPLIANCE, ORDINANCE NO. 101432; REQUIRED CONTRACT PROVISIONS; SWORN STATEMENT FOR COMPLIANCE WITH SECTION 4, ORDINANCE NO. 101432; AND ESTIMATED PROJECTED EMPLOYMENT PROFILE. WHEN A PROJECT IS FEDERALLY FUNDED, FEDERAL BID CONDITIONS ALSO ARE INCLUDED IN THE SPECIFICATIONS AND CONTRACTORS MUST BE AWARE THAT UPON SIGNING THE PROPOSAL PAGE, IT COMMITS THEM TO THE GOALS OF MINORITY MANPOWER UTILIZATION, AS APPLICABLE, AND TO ALL OTHER REQUIREMENTS, TERMS AND CONDITIONS OF THE FEDERAL AGENCY PROVIDING FUNDING.

FAILURE TO SIGN AND NOTARIZE THE CITY'S "SWORN STATEMENT FOR COMPLIANCE WITH SECTION 4, ORDINANCE NO. 101432", AND SUBMIT THE AFFIRMATIVE ACTION PROGRAM SPECIFIED BY ORDINANCE NO. 101432 AND THE "INSTRUCTIONS FOR CONTRACT COMPLIANCE ORDINANCE NO. 101432", WILL RESULT IN THE BID BEING CONSIDERED NONRESPONSIVE AND IT WILL NOT BE READ.

THE ESTIMATED PROJECTED EMPLOYMENT PROFILE FORM IS TO BE COMPLETED AND RETURNED WITH THE BID.

During the course of discussion on the new Bid Conditions, the Department of Housing and Urban Development advised that all public works projects, funded by HUD Federal funds are to include the following:

1. New Model Federal EEO Bid Conditions
2. Executive Order 11246
3. Rules and Regulations (Part 130 and 135)
4. Federal Register List of Prevailing Wages
5. Federal Labor Standards Provisions

We also request that Optional Form 66, while not required, be included in specifications as the contractor is required to complete the form in the course of the contract.

All federally funded projects will continue to be so flagged on the cover to alert contractors to Federal requirements.

BLM:EJH:jk
Att.
cc: Len Koski, Engineering
R. L. Snyder, Building
E. Hennebry, Building
William Rashkov, Water
John Hansen, Lighting
Evelyn Larson, Parks
Vivian Caver, Director Human Rights Dept.
Ancil Potter, Area Director HUD

FEDERALLY FUNDED PROJECT

CONTRACTORS NOTE: FEDERAL CONDITIONS INCLUDED IN THIS SPECIFICATION

CONTRACTORS SHOULD BE AWARE THAT FEDERAL BID CONDITIONS

MAKE THE AFFIRMATIVE ACTION REQUIREMENTS BINDING ON ALL

BIDDERS WHO SUBMIT SIGNED BIDS

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

JUL 28 1976

EMPLOYMENT STANDARDS ADMINISTRATION
RECEIVED
AUG 3 1976
OFFICE OF FEDERAL
CONTRACT COMPLIANCE
SEATTLE, WASHINGTON 98104

MEMORANDUM TO HEADS OF ALL AGENCIES

FROM: W. J. Usery, Jr.
Secretary of Labor

John C. Read
Assistant Secretary for
Employment Standards

Lawrence Z. Lorber
Director, Office of Federal
Contract Compliance Programs

SUBJECT: New Model Federal EEO Bid Conditions

Attached is the new format for the Federal EEO Bid Conditions. The primary purpose of the amendment of this document is to eliminate the responsiveness problem created by the fill-in-the-blank requirement in the Bidder's Certification. Under Comptroller General opinions and the decisions in Northeast Construction Company v. Romney, 485 F.2d 752 (D.C. Cir. 1973) and Rossetti Contracting Co. v. Brennan, 508 F.2d 1039 (7th Cir. 1975), the failure of a bidder to specify its goals for minority employment as required by imposed plans or the failure of a bidder to complete and submit a Bidder's Certification form as required by the Bid Conditions requires the contracting agency to declare the bid nonresponsive. This has caused the loss of hundreds of thousands of dollars because defective low bids were discarded in favor of the next low bid.

The original reason for requiring the submission of a properly executed Bidder's Certification was that it was thought to be helpful in informing contractors of their obligations and eliminated inattentive bidders. However, it is questionable whether a contractor's ability to properly execute the appropriate form bears any relation to his intent to comply with the requirements of the Bid Conditions. Therefore, the attached amendment of the Bid Conditions has eliminated the signature and fill-in-the-blank requirements. Instead, the amended Federal EEO Bid Conditions clearly notify prospective bidders that they will be deemed committed to the goals contained therein by submitting a properly signed bid. This amendment does not diminish the government's enforcement ability yet permits contracting agencies to award contracts to the lowest responsive and responsible bidder.

A proposed set of Federal EEO Bid Conditions was published in the Federal Register (40 FR 14953, April 3, 1975) and the OFCCP has reviewed the comments received. Amendments have been made to the proposal. They include clarification of OFCCP's responsibility for review of contractors who are participating in viable hometown plans. It is OFCCP's policy that such contractors are not subject to compliance agency reviews as their commitment to affirmative action is a collective one and is properly measured by an OFCCP hometown plan audit. This clarification of compliance responsibility in hometown plan areas also emphasizes the necessity for the compliance agencies to devote more of their time and resources to nonparticipating construction contractors covered by Part II of the Federal EEO Bid Conditions.

Accordingly, effective Sept. 1, 1976, all contracting and administering agencies are directed to adopt the new Model Federal EEO Bid Conditions for inclusion in all future invitations for bids on all nonexempt Federal and federally assisted construction contracts and subcontracts awarded in areas covered by hometown plans (Part I) and Part II EEO bid conditions. Federal EEO Bid Conditions now in use for such areas are not to be included in Invitations for Bid after adoption of the attached new format Federal EEO Bid Conditions.

This new format has been coordinated through the Office of Federal Procurement Policy of the Office of Management and Budget in accordance with P.L. 93-400, the Office of Federal Procurement Policy Act.

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
Office of Federal Contract Compliance Programs
WASHINGTON, D.C. 20210

SEP. 9 1976

RECEIVED
SEP 21 11 01 AM '76
SECRETARY
BOARD OF PUBLIC WORKS

MEMORANDUM

TO: HEADS OF ALL AGENCIES

FROM: LAWRENCE Z. LORBER
Deputy Assistant Secretary
Director, OFCCP

SUBJECT: New Model EEO Bid Conditions

The Office of Federal Contract Compliance Programs (OFCCP) has received inquiries concerning some of the language in the New Model Bid Conditions, published in the Federal Register on Tuesday, August 3, 1976. Through inadvertent clerical error, references to "female utilization" appear in the New Model Bid Conditions. Those references, therefore, should be deleted.

In the first paragraph of Part I, we refer to ". . . goals of minority and where applicable, female utilization." Agencies are to delete ". . . and where applicable, female." This section will then read ". . . goals of minority utilization."

In the next to the last paragraph of Part I, the last sentence reads ". . . including goals for minorities and female utilization set forth in Part II." Delete ". . . and female," and change "minorities" to "minority." This sentence will then read ". . . including goals for minority utilization set forth in Part II."

Similarly, in Part II, paragraph B1., the first sentence following footnote 2 states, "The goals of minority and female utilization above . . . ." Delete ". . . and female." The sentence will then read "The goals of minority utilization above . . . ."

However, it should be noted that the new Hometown Plan reporting form asks for data on hours worked by females in the covered trades. This data will be shared with the compliance agencies for future use.

EMPLOYMENT STANDARDS ADMINISTRATION
RECEIVED
SEP 13 1976
OFFICE OF FEDERAL
CONTRACT COMPLIANCE
SEATTLE, WASHINGTON 98104

A copy of the corrected New Model Bid Conditions including these changes as well as corrections of other minor clerical errors is attached.

Another problem has been called to our attention concerning the inability of the New Model Bid Conditions to accommodate certain plan areas in which individual yearly goals have been established for each craft rather than the more common single yearly goal for all crafts. In these instances we recommend including the individual yearly goals in the New Model Bid Conditions as an appendix with an appropriate reference in Part II, section B1.

Attachment

BID CONDITIONS

AFFIRMATIVE ACTION REQUIREMENTS

EQUAL EMPLOYMENT OPPORTUNITY

For all Non-Exempt Federal and Federally-Assisted Construction Contracts to be Awarded in

[KING COUNTY]

NOTICE

EACH BIDDER, CONTRACTOR OR SUBCONTRACTOR (HEREINAFTER THE CONTRACTOR) MUST FULLY COMPLY WITH EITHER PART I OR PART II, AS APPLICABLE, OF THESE BID CONDITIONS AS TO EACH CONSTRUCTION TRADE IT INTENDS TO USE ON THIS CONSTRUCTION CONTRACT AND ALL OTHER CONSTRUCTION WORK (BOTH FEDERAL AND NON-FEDERAL) IN THE [SEATTLE/KING CO PLAN] AREA DURING THE PERFORMANCE OF THIS CONTRACT OR SUBCONTRACT. THE CONTRACTOR COMMITS ITSELF TO THE GOALS FOR MINORITY MANPOWER UTILIZATION IN EITHER PART I OR PART II, AS APPLICABLE, AND ALL OTHER REQUIREMENTS, TERMS AND CONDITIONS OF THESE BID CONDITIONS BY SUBMITTING A PROPERLY SIGNED BID.

THE CONTRACTOR SHALL APPOINT A COMPANY EXECUTIVE TO ASSUME THE RESPONSIBILITY FOR THE IMPLEMENTATION OF THE REQUIREMENTS, TERMS AND CONDITIONS OF THESE BID CONDITIONS.

Part I: The provisions of this Part I apply to contractors which are party to collective bargaining agreements with labor organizations which together have agreed to the [SEATTLE KING COUNTY PLAN] Area Construction Program (hereinafter the [SEATTLE KING CO.] Plan) for equal opportunity and have jointly made a commitment to specific goals of minority utilization. The [SEATTLE/KING CO.] Plan is a tripartite voluntary agreement between [ ] The [SEATTLE/KING CO] Plan together with all implementing agreements that have been and may hereafter be developed pursuant thereto are incorporated herein by reference.

Any contractor using one or more trades of construction employees must comply with either Part I or Part II of these Bid Conditions as to each such trade. A contractor may therefore be in compliance with Part I of these Bid Conditions by its participation with the labor organization which represents its employees in the [SEATTLE/KING CO.] Plan as to one trade provided there is set forth in the [SEATTLE/KING CO.] Plan a specific commitment by both the contractor and the labor organization to a goal of minority utilization for that trade. Contractors using trades which are not covered by Part I (See Part II, Section A) must comply with

the commitments contained in Part II including goals for minority utilization set forth in Part II.

If a contractor does not comply with the requirements of these Bid Conditions, it shall be subject to the provisions of Part II.

Part II: A. Coverage. The provisions of this Part II shall be applicable to those contractors who:

1. Are not or hereafter cease to be signatories to the [Seattle/King Co.] Plan incorporated by reference in Part I hereof;

2. Are signatories to the [ ] Plan but are not parties to collective bargaining agreements;

3. Are signatories to the [ ] Plan but are parties to collective bargaining agreements with labor organizations which are not or hereafter cease to be signatories to the [ ] Plan;

4. Are signatories to the [ ] Plan and are parties to collective bargaining agreements with labor organizations but the two have not jointly executed a specific commitment to goals for minority utilization and incorporated the commitment in the [ ] Plan;

5. Are participating in an affirmative action plan which is no longer acceptable to the Director, OFCCP, including the [ ] Plan; or

6. Are signatories to the [ ] Plan but are parties to collective bargaining agreements with labor organizations which together have failed to make a good faith effort to comply with their obligations under the [ ] Plan and, as a result, have been placed under Part II of the Bid Conditions by the Office of Federal Contract Compliance Programs.

B. Requirement -- An Affirmative Action Plan. Contractors described in paragraphs 1 through 6 above shall be subject to the provisions and requirements of Part II of these Bid Conditions including the goals and timetables for minority 1/ utilization, and specific affirmative action steps set forth in Sections B.1 and 2 of this Part II. The contractor's commitment to the goals for minority utilization as required by this Part II constitutes a commitment that it will make every good faith effort to meet such goals.

1. Goals and Timetables. The goals of minority utilization required of the contractor are applicable to

1/ "Minority" is defined as including Blacks, Spanish Surnamed Americans, Orientals and American Indians, and includes both minority men and minority women.

each trade used by the contractor in the [ ] Plan area and which is not otherwise bound by the provisions of Part I. For all such trades the following goals and timetables shall be applicable.

		Goals for Minority Utilization
Until	[12/31/76]	[8.8-11.5]% (2)
From	[ ] to [ ]	[ ]
From	[ ] to [ ]	[ ]
From	[ ] to [ ]	[ ]
From	[ ] to [ ]	[ ] 2/

The goals of minority utilization above are expressed in terms of hours of training and employment as a proportion of the total number of hours to be worked by the contractor's aggregate work force, which includes all supervisory personnel, in each trade on all projects (both Federal and non-Federal) in the [-] Plan area during the performance of its contract (i.e., the period beginning with the first day of work on the Federal or federally assisted construction contract and ending with the last day of work.)

The hours of minority employment and training must be substantially uniform throughout the length of the

2/ In the event that any work which is subject to these Bid Conditions is performed in a year later than the latest year for which goals of minority utilization have been established, the goals for the last year of the Bid Conditions will be applicable to such work.

contract in each trade and minorities must be employed evenly on each of a contractor's projects. Therefore, the transfer of minority employees or trainees from contractor to contractor or from project-to-project for the purpose of meeting the contractor's goals shall be a violation of Part II of these Bid Conditions.

If the contractor counts the nonworking hours of trainees and apprentices in meeting the contractor's goals, such trainees and apprentices must be employed by the contractor during the training period; the contractor must have made a commitment to employ the trainees and apprentices at the completion of their training subject to the availability of employment opportunities; and the trainees must be trained pursuant to training programs approved by the Bureau of Apprenticeship and Training for "Federal Purposes" or approved as supplementing the [ ] Plan.

2. Specific Affirmative Action Steps. No contractor shall be found to be in noncompliance with Executive Order 11246, as amended, solely on account of its failure to meet its goals, but shall be given an opportunity to demonstrate that the contractor has instituted all the specific affirmative action steps specified in this Part II and has made every good faith effort to make these steps work toward the attainment of its goals within the timetables, all to

the purpose of expanding minority utilization in its aggregate work force in the [ ] Plan area. A contractor subject to Part I which fails to comply with its obligations under the Equal Opportunity clause of its contract (including failure to meet its fair share obligation if provided in the [ ] Plan) or subject to Part II which fails to achieve its commitments to the goals for minority utilization has the burden of proving that it has engaged in an affirmative action program directed at increasing minority utilization and that such efforts were at least as extensive and as specific as the following:

a. The contractor should have notified minority organizations when employment opportunities were available and should have maintained records of the organizations' response.

b. The contractor should have maintained a file of the names and addresses of each minority referred to it by any individual or organization and what action was taken with respect to each such referred individual, and if the individual was not employed by the contractor, the reasons therefor. If such individual was sent to the union hiring hall for referral and not referred back by the union or if referred, not employed by the contractor, the file should have documented this and the reasons therefor.

c. The contractor should have promptly notified the contracting or administering agency and the Office of Federal Contract Compliance Programs when the union or unions with which the contractor has collective bargaining agreements did not refer to the contractor a minority sent by the contractor, or when the contractor had other information that the union referral process has impeded efforts to meet its goals.

d. The contractor should have disseminated its EEO policy within its organization by including it in any employee handbook or policy manual; by publicizing it in company newspapers and annual reports; and by advertising such policy at reasonable intervals in union publications. The EEO policy should be further disseminated by conducting staff meetings to explain and discuss the policy; by posting of the policy; and by review of the policy with minority employees.

e. The contractor should have disseminated its EEO policy externally by informing and discussing it with all recruitment sources; by advertising in news media, specifically including minority news media; and by notifying and discussing it with all subcontractors.

f. The contractor should have made both specific and reasonably recurrent written and oral recruitment efforts.

Such efforts should have been directed at minority organizations, schools with substantial minority enrollment, and minority recruitment and training organizations within the contractor's recruitment area.

g. The contractor should have evidence available for inspection that all tests and other selection techniques used to select from among candidates for hire, transfer, promotion, training or retention are being used in a manner that does not violate the OFCCP Testing Guidelines in 41 CFR Part 60-3.

h. The contractor where reasonable should have developed on-the-job training opportunities and participated and assisted in all Department of Labor funded and/or approved training programs relevant to the contractor's employee needs consistent with its obligations under this Part II.

i. The contractor should have made sure that seniority practices and job classifications do not have a discriminatory effect.

j. The contractor should have made certain that all facilities were not segregated by race.

k. The contractor should have continually monitored all personnel activities to ensure that its EEO policy was being carried out including the evaluation of minority employees for promotional opportunities on a quarterly

basis and the encouragement of such employees to seek those opportunities.

1. The contractor should have solicited bids for subcontracts from available minority subcontractors engaged in the trades covered by these Bid Conditions including circulation of minority contractor associations.

Note: The Assistant Regional Administrator of the Office of Federal Contract Compliance Programs and the compliance agency staff will provide technical assistance on questions pertaining to minority recruitment sources, minority community organizations and minority news media upon receipt of a request for assistance from a contractor.

3. Subsequent Signatory to the [ ] Plan. Contractors that are subject to the requirements of Part II at the time of the submission of their bids which, together with labor organizations with which they have collective bargaining agreements, subsequently become signatory to the [ ] Plan, either individually or through an association, will be deemed bound to their commitments to the [ ] Plan from that time until and unless they once again become subject to the requirements of Part II pursuant to Section A.1-6.

4. Non-discrimination. In no event may a contractor utilize the goals and affirmative action steps required by this Part II in such a manner as to cause or result in

discrimination against any person on account of race, color, religion, sex or national origin.

Part III: Compliance and Enforcement. In all cases, the compliance of a contractor will be determined in accordance with its obligations under the terms of these Bid Conditions. Therefore, contractors who are governed by the provisions of either Part I or Part II shall be subject to the requirements of that Part regardless of the obligations of its prime contractor or lower tier subcontractors.

All contractors performing or to perform work on projects subject to these Bid Conditions hereby agree to inform their subcontractors in writing of their respective obligations under the terms and requirements of these Bid Conditions, including the provisions relating to goals of minority employment and training.

A. Contractors Subject to Part I. 1. A contractor covered by Part I of these Bid Conditions shall be in compliance with Executive Order 11246, as amended, the implementing regulations and its obligations under Part I, provided the contractor together with the labor organization or organizations with which it has a collective bargaining agreement meet the goals for minority utilization to which they committed themselves in the [ ]

Plan, or can demonstrate that every good faith effort has been made to meet the goal. In that event, no formal sanctions or proceedings leading toward sanctions shall be instituted unless the Office of Federal Contract Compliance Programs determines that the contractor has violated a substantial requirement in the [ ] Plan or Executive Order 11246, as amended, and its implementing regulations, including the failure of such contractor to make a good faith effort to meet its fair share obligation if provided in the [ ] Plan or has engaged in unlawful discrimination. Such violations shall be deemed to be noncompliance with the Equal Opportunity clause of the contract, and shall be grounds for imposition of the sanctions and penalties provided for in Executive Order 11246, as amended.

2. The OFCCP shall review Part I contractors' employment practices during the performance of the contract. Further, OFCCP shall be solely responsible for any final determination that the [ ] Plan is no longer an acceptable affirmative action program and the consequences thereof. The OFCCP may, upon review and notice to the contractor and any affected labor organization, determine that the [ ] Plan no longer represents effective affirmative action. In that event it shall be

solely responsible for any final determination of that question and the consequences thereof.

3. Where OFCCP finds that a contractor has failed to comply with the requirements of the [ ] Plan and its obligation under Part I of these Bid Conditions, it shall take such action and/or impose such sanctions as may be appropriate under the Executive Order and its regulations. When the OFCCP proceeds with such formal action it has the burden of proving that the contractor has not met the requirements of these Bid Conditions. The failure of the contractor to comply with its obligations under the Equal Opportunity clause shall shift to it the requirement to come forward with evidence to show that it has met the good faith requirements of these Bid Conditions by instituting at least the specific affirmative action steps listed in Part II, Section 2. The contractor must also provide evidence of its steps toward the attainment of its trade's goals within the timetables set forth in the [ ] Plan. The pendency of such formal proceedings shall be taken into consideration by Federal agencies in determining whether such contractor can comply with the requirements of Executive Order 11246, as amended, and is therefore a "responsible prospective contractor" within the meaning of basic principles of Federal procurement law.

B. <u>Contractors Subject to Part II</u>. In regard to Part II of these Bid Conditions, if the contractor meets the goals

set forth therein or can demonstrate that it has made every good faith effort to meet these goals, the contractor shall be presumed to be in compliance with Executive Order 11246, as amended, the implementing regulations and its obligations under Part II of these Bid Conditions. In that event, no formal sanctions or proceedings leading toward sanctions shall be instituted unless the contracting or administering agency otherwise determines that the contractor is violating the Equal Opportunity clause.

Where the agency finds that the contractor failed to comply with the requirements of Executive Order 11246, as amended, the implementing regulations and the obligations under Part II of these Bid Conditions, the agency shall take such action and impose such sanctions, which include suspension, termination, cancellation, and debarment, as may be appropriate under the Executive Order and its regulations. When the agency proceeds with such formal action it has the burden of proving that the contractor has not met the goals contained in Part II of these Bid Conditions. The contractor's failure to meet its goals shall shift to it the requirement to come forward with evidence to show that it has met the good faith requirements of these Bid Conditions by instituting at least the specific affirmative action

steps listed in Part II, Section 2. The pendency of such proceedings shall be taken into consideration by Federal agencies in determining whether such contractor can comply with the requirements of Executive Order 11246, as amended, and is therefore a "responsible prospective contractor" within the meaning of the basic principles of Federal procurement law.

C. Obligations Applicable to Contractors Subject to Either Part I or Part II. It shall be no excuse that the union with which the contractor has a collective bargaining agreement providing for exclusive referral failed to refer minority employees. Discrimination in referral for employment, even if pursuant to provisions of a collective bargaining agreement, is prohibited by the National Labor Relations Act, as amended, and Title VII of the Civil Rights Act of 1964, as amended. It is the policy of the Office of Federal Contract Compliance Programs that contractors have a responsibility to provide equal employment opportunity if they wish to participate in federally involved contracts. To the extent they have delegated the

responsibility for some of their employment practices to a labor organization and, as a result, are prevented from meeting their obligations pursuant to Executive Order 11246, as amended, such contractors cannot be considered to be in compliance with Executive Order 11246, as amended, its implementing rules and regulations.

Part IV: General Requirements. 1. Contractors are responsible for informing their subcontractors in writing, regardless of tier, as to their respective obligations under Parts I and II hereof, as applicable. Whenever a contractor subcontracts a portion of the work in any trade covered by these Bid Conditions, it shall include these Bid Conditions in such subcontracts and each subcontractor shall be bound by these Bid Conditions to the full extent as if it were the prime contractor. The contractor shall not, however, be held accountable for the failure of its subcontractors to fulfill their obligations under these Bid Conditions. However, the prime contractor shall give notice to the Assistant Regional Administrator of the Office of Federal Contract Compliance Programs of the Department of Labor and to the contracting or administering agency of any refusal or failure of any subcontractor to fulfill its

obligations under these Bid Conditions. A subcontractor's failure to comply will be treated in the same manner as such failure by a prime contractor.

2. Contractors hereby agree to refrain from entering into any contract or contract modification subject to Executive Order 11246, as amended, with a contractor debarred from, or who is determined not to be a "responsible" bidder for Government contracts and federally-assisted construction contracts pursuant to the Executive Order.

3. The Contractor shall carry out such sanctions and penalties for violation of these Bid Conditions and the Equal Opportunity clause including suspension, termination and cancellation of existing subcontracts and debarment from future contracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations by the contracting or administering agency and the Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall also be deemed to be in noncompliance with these Bid Conditions and Executive Order 11246, as amended.

4. Nothing herein is intended to relieve any contractor during the term of its contract from compliance with Executive Order 11246, as amended, and the Equal Opportunity

clause of its contract with respect to matters not covered in the [ ] Plan or in Part II of these Bid Conditions.

5. The procedures set forth in these Bid Conditions shall not apply to any contract which the head of the contracting or administering agency determines is essential to the national security and its award without following such procedures is necessary to the national security. Upon making such a determination, the agency head will notify, in writing, the Director of the Office of Federal Contract Compliance Programs within thirty days.

6. Requests for exemptions from these Bid Conditions must be made in writing, with justification, to the Director, Office of Federal Contract Compliance Programs, U.S. Department of Labor, Washington, D.C. 20210, and shall be forwarded through and with the endorsement of the head of the contracting or administering agency.

7. Contractors must keep such records and file such reports relating to the provisions of these Bid Conditions as shall be required by the contracting or administering agency or the Office of Federal Contract Compliance Programs.

For the information of bidders, a copy of the [ ] Plan may be obtained from the contracting officer.

A list of trades which are currently participating in the [ ] Plan may be obtained from OFCCP, or the contracting or administering agency.

Signed this 28th day of July, 1976.

/S/
Secretary of Labor

/S/
Assistant Secretary for
Employment Standards

/S/
Director, Office of Federal
Contract Compliance Programs

BPW

PAUL A. WIATRAK, CITY ENGINEER

Seattle
Board of Public Works

Betty L. McFarlane, Executive Secretary
Wes Uhlman, Mayor

Re: Procedures for
Notice to Concerned

September 17, 1976

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
WEPS/JJK		

SEATTLE ENG DEPT
SEP 20 8 21 AM '76

Ms. Judy Flemings
Citizens Service Bureau
City of Seattle

Dear Ms. Flemings:

In regard to your communication of September 15 relative to Board of Public Works' notice to interested parties on Board meetings, we report the following:

We would not be unfair in our procedures for notifying concerned parties of Board meetings. We take care to assure that those concerned are notified in reasonable time. If they have need of more time, they tell us; or, if they cannot make it to the meeting, we simply move the item to another date and agenda. This was what we did when it was brought to our attention that the abutting owner, in the particular case in point, was not in town. All concerned, by the way, on this Street Vacation matter had been to previous meetings of the Board and presented their testimony, so a telephone call was believed appropriate instead of written notice in this case, with less time needed.

We try to be responsive to applicants and cut red tape whenever possible as long as all needs are satisfied. That is why we use a case-by-case basis to determine the notification procedure to be followed. In your letter you refer to Ordinance No. 102228, which deals with procedures and appeal process of the Hearing Examiner. The Board is not subject to appeal to the Hearing Examiner and the "agencies" listed in that are empowered by ordinance. The Board is empowered to set rules and regulations by City Charter. We are, also, in accordance with Ordinance 101810 - Requirements for Standard Operating Procedures - reducing our procedures to writing in the form required. These will be available in the near future and we will submit a copy to you at that time.

As stated above, our usual procedures for notification vary, but we assure that each case is handled fairly, that items are not held up unduly, and that we are responsive to citizens' requests.

Variations in procedure are determined by circumstances involved; i.e., Street Use Permits are of a temporary nature and subject to 30-day revocation. Temporary closure of the street, for instance, requires 100% approval of abutting owners prior to Board of Public Works action; therefore, we do not notify anyone, but the applicant. However, if the previous circulation to concerned departments reveals no problems, we do not want to inconvenience even the applicant by asking him/her to come in.

On use of public area which affects the wider community--i.e., trial traffic diverter systems, stop sign evaluations, speed bump studies, etc., we notify by mail and discuss the matter with all if there are concerns. Most often, however, these community meetings have taken place prior to the Board's action and it isn't necessary to invite all concerned in, unless there is opposition.

On permanent installations, skybridges, tunnels, bridges, or Street Vacations, the City Council must take legislative action and usually holds hearings in addition to the Board's, so we believe notification is quite good. Also, all those wishing to have matters appealed or reconsidered by the Board are afforded that right.

If you have any other questions, please advise.

Yours very truly,

BOARD OF PUBLIC WORKS

Betty L. McFarlane

Betty L. McFarlane
Executive Secretary

BLM/jw

cc: All Board of
Public Works Members

BAW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

MEMORANDUM

September 8, 1976

To: Wally Johnson, Intergovernmental Affairs Coordinator
Office of Policy Planning

From: Betty L. McFarlane, Executive Secretary. BLM

Re: Intergovernmental Affairs

Please be aware that the Board of Public Works supports the position of its Departments on Senate Bill 2143, that amendment to make it more acceptable to the City is imperative. Each of our Departments is working on this and there will be more forthcoming information.

BLM:jk

cc: All Board of Public Works Members

Copy: Legislation

SEATTLE ENG DEPT
SEP 10 2 07 PM '76

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
PMB		
WGU		
AEM		
JGR		
RRP		
WEPS		

BLM

BPW

PAUL A. WIATRAK, CITY ENGINEER

Seattle
Board of Public Works

Betty L. McFarlane, Executive Secretary
Wes Uhlman, Mayor

Re: Procedures for Awarding Public Works Projects

August 19, 1976

The Honorable John Harris
Corporation Counsel
City of Seattle

Dear Mr. Harris:

The Board of Public Works would appreciate a legal opinion on procedures for awarding contracts for public works projects.

Sometimes time is of the essence and the Board has recently been asked if it could award contingent upon Human Rights Department's approval. If the Human Rights Department reviews the affirmative action program of the contractor after such an award and finds it unacceptable, can the Board at the next meeting rescind the award if it concurs in the recommendation of the Human Rights Department? Or, should the Board always wait for HRD's recommendation prior to taking formal action on awards?

Attached are our "Instructions to Bidders" contained in all public works specifications and Ordinance 101432, the Equal Employment Ordinance, for your information.

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
Paw		
WLDS		
DEM	DA	
	LK	

Yours very truly,

BOARD OF PUBLIC WORKS

Betty L. McFarlane

Betty L. McFarlane
Executive Secretary

BLM:wb

Att.

cc: All Board Members
Human Rights Department
Vivian Caver, Director
Nate Sanders

SEATTLE ENG DEPT
AUG 20 8 26 AM '76

Orig Copy: Corp Counsel

BPW

PAUL A. WIATRAK, CITY ENGINEER

Re: PUBLIC WORKS CONTRACT PAYMENTS - DRAFT SPECIFICATION CHANGES

Board of Public Works
Office of the Executive Secretary

Betty L. McFarlane, Executive Secretary

DEPARTMENTAL ROUTING SLIP 8-19-76
(date)

All Board of Public Works Members
(referred to)

Betty L. McFarlane BLM
(referred by)

_____ Please prepare reply for the Executive Secretary's signature on office stationery.

_____ Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

_____ Forwarded for your investigation, report, and recommendation.

X Forwarded for your information and files.

_____ Other: This subject will be on the agenda August 25, 1976.

*Action requested no later than _____
(date)

BLN:EJH:jw
Att.

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PBW		
QEM	LK	
	DR	

SEATTLE ENG DEPT
AUG 20 8 26 AM '76

Your
Seattle
City Light

Gordon Vickery, Superintendent

August 2, 1976

Board of Public Works
City of Seattle

Attention: Mrs. Betty L. McFarlane

Members:

Reference is made to the Board of Public Works memorandum dated July 27, 1976, regarding submittal of certified statements of payment of prevailing wages on Board of Public Works Contracts. We have reviewed the proposed paragraph to be added to the Instructions to Bidders and have the following comment: In general, it is our desire to minimize "red tape" to reduce contractors' overhead costs and thereby reduce our contract costs.

At present contractors have contact with three city agencies, the Board of Public Works, the Human Rights Department, and the department administering the contract. To require the contractor to submit statements regarding payment of prevailing wages to the City Comptroller would necessitate the contractor to be in contact with a fourth city agency. To minimize the number of different city agencies the contractor must deal with, it would be better to have these statements submitted to the Board of Public Works who in turn could forward them to the City Comptroller. Therefore, it is suggested that the paragraph to be inserted in the Instructions to Bidders section specifications be reworded as follows:

Instruction to Bidders Modification

"Prevailing Wage Statements Required for Contract Payments

"Contractors are advised that in accordance with the laws of the State of Washington, Chapter 49, Laws of 1975-76 amended RCW 39.12.040 before payment is made on this contract by the City, the contractor to whom the contract is awarded must file with the Board of Public Works a 'Statement of Intent to Pay Prevailing Wages' approved by the Industrial Statistician of the State of Washington, Department of Labor and Industries for the contractor and for each and every subcontractor from the contractor or a subcontractor on the project.

Contractors are also advised that each voucher claim submitted for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency or the estimate will not be paid.

Contractors are advised that before contract retainage is released on this contract by the City, 'an Affidavit of Wages Paid,' certified by the Industrial Statistician of the State of Washington, Department of Labor and Industries, must be on file with the Board of Public Works, for the Contractor and for each and every subcontractor from the Contractor or a subcontractor on the project."

The Lighting Department requests an interpretation of the second paragraph. When payment amounts are determined without requiring submittal of a claim voucher from the Contractor and the 'Statement of Intent to Pay Prevailing Wages' is duly filed, is it necessary for the Contractor to restate monthly that prevailing wages have been paid?

Yours truly,

(Sgd.) Gordon Vickery
Gordon Vickery
Superintendent

JMH:cs

MEMORANDUM

RECEIVED
AUG 6 11 18 AM '76
SECRETARY
BOARD OF PUBLIC WORKS

To A. E. Maronek

By L. Koski Date August 4, 1976

Subject Public Works Contract Payments - Draft Specification Changes

The attached memo from B. McFarlane requests our input on specification changes required as a result of the State Legislature amending RCW 39.12.040 this year. A copy of the old wording is also attached for your information.

In brief, the new amendment requires that the Contractor file and approved "Statement of Intent to Pay Prevailing Wages" form with the City Comptroller prior to the first estimate; state on each voucher claim during the contract period that he is complying with the prefiled statement; and that he file an "Affidavit of Wages Paid" certified by the State Department of Labor and Industries before the retained percentage is released. The prime contractor, by law, is also responsible for obtaining and filing the above affidavits of all sub-contractors working on the improvement.

As a result of the above amendment the following modifications to the contract documents and specifications are recommended:

1. The three paragraphs proposed by the B.P.W. be inserted after the fourth paragraph in the Instructions to Bidders.

2. Amend the Standard Plans and Specifications, 10th Edition, Section 7-1.07 Legal Wages of Public Works as follows:

   a. Add the words, shown underlined below in the first sentence. "... the 1965 and 1976 Legislature in extraordinary ..., etc."

   b. Amend the seventh paragraph to read, "Before payment is .... etc..... under these specifications, the Contractor shall file with the City Comptroller a Statement of Intent to Pay Prevailing Wages form which has been approved by the Industrial Statistician of the State of Washington Department of Labor and Industries for the Contractor and for each and every sub-contractor from the Contractor or a sub-contractor. Further, that each and every voucher claim submitted by a Contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled Statement or Statements of Intent to Pay Prevailing Wages on file with the City Comptroller, and further provided, that, before funds retained according to the provisions of RCW 60.28.010 are released to the Contractor following final acceptance of a public works project, the Contractor shall file an Affidavit of Wages Paid, certified by the Industrial Statisticion of the State of Washington Department of Labor and Industries, for the Contractor and for each and every sub-contractor from the Contractor or a sub-contractor."

   c. Delete the eighth paragraph.

3. Modify the Contract as follows:

   a. Section 4 - Paragraph 1
   add the words " as amended" after "Laws of Washington for 1945".

   b. Section 4 - Add the following paragraph after paragraph 5:
   "That to facilitate enforcement of the above covenants the contractor agrees that before payment is made by or on behalf of the City of Seattle, of any sums due on account of this public works improvement he will file a Statement of Intent to Pay Prevailing Wages form, approved by the Industrial Statistician of the State of Washington Department of Labor and Industries, for the contractor and for each and every sub contractor from the contractor or a sub-contractor on the project."

   Add the following after paragraph 6:
   "That each and every voucher claim submitted by the contractor for payment on the project estimate will state that the prevailing wages have been paid in accordance with the prefiled Statement or Statements of Intent to Pay Prevailing Wages on file with the City Comptroller.

   That before the funds retained according to the provisions of RCW 60.28.010 are released by the City of Seattle to the contractor, following final acceptance of this improvement, the contractor will file with the City Comptroller an Affidavit of Wages Paid, certified by the Industrial Statistician of the State of Washington Department of Labor and Industries for the contractor and for each and every sub-contractor from the contractor or a sub contractor."

4. Modify the affidavit accompanying each payroll report as follows:

   Amend the third to read:

   "That in compliance with RCW 39.12.040 no laborer, workman or mechanic employed on the above project has been paid less than the prevailing wages stated in the prefiled Statement or Statements of Intent to Pay Prevailing Wages on file with the City Comptroller and the Department of Labor and Industries as approved by the Industrial Statistician."

LK/DJH:ms
Attachment
cc: B. L. McFarlane - Secretary of the Board of Public Works
D. Roletto
R. E. Nieforth
W. E. P. Smith

BPW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

August 19, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary

Re: Plans and Specifications - Building Permits

The purpose of circulating plans and specifications through all Board Departments is to assure compliance with requirements of concerned departments prior to the call for bids. References to cursory review by the Building Department have been received lately. The Board must have final approval from all departments concerned to assure that variance requirements for zoning or other codes are known prior to approval. It could delay projects and add costs to same if brought out later.

BLM:EJH:jk

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
~~PWW~~		
AEM/LK		
DR		

SEATTLE ENG DEPT
AUG 23 8 35 AM '76

BPW

Seattle Water Department

Kenneth M. Lowthian, Superintendent
Wes Uhlman, Mayor

ROUTING	DATE	INITIAL
ACTION		
INE		
INFORMATION		
PAW		
AEM/LK		
DR		
WEPS		

SEATTLE ENG DEPT
AUG 23 8 34 AM '76

August 18, 1976

4c

Mr. Paul A. Wiatrak, P.E.
City Engineer
City of Seattle

x Insurance

Dear Mr. Wiatrak:

As a result of the Contract Law (S.B. #2143), specifications for recent Public Works projects which have included contractor work on charged watermains and water services have been amended to include "Public Health Liability" insurance coverage. In view of the Description of Coverages and Limits contained in the attached Certificate of Insurance, and the indication of acceptability by the Corporation Counsel, I recommend that the specifications amendment for future projects of this type be as follows:

3.07B <u>ADDITIONAL INSURANCE REQUIREMENTS FOR CONTRACTOR WORK ON CHARGED WATERMAINS AND WATER SERVICES</u>

The third paragraph shall be further amended to read:

Bodily injury liability coverage, which includes coverage for sickness or disease, with limits of not less than $1,000,000. for bodily injury, including accidental death to any one person, and subject to that limit for each person, in an amount of not less than $5,000,000. for each occurrence.

In addition, the last paragraph of the amendment to Section 3.01 states:

"The award of contract, if made, will be for the low bid of Basic Proposal or combination of Basic Proposal plus Additive No. 1 Proposal <u>at the discretion of the Board of Public Works</u>. It is therefore necessary for prospective contractors to submit a bid for each portion of the proposal. If a bid is received without a bid for both the Basic Proposal and Additive No. 1 Proposal, it will be considered unresponsive and will not be read."

Mr. Paul A. Wiatrak, P.E.
August 18, 1976

Since the award of contract can be made on either basis at the discretion of the Board, I do not believe that a bid on the additive work should be required, and I recommend that the last two sentences of this paragraph be deleted.

This amendment would then be as follows:

3.01 <u>BASIC PROPOSAL, ADDITIVE NO. 1 PROPOSAL, DETERMINATION OF LOW BID AND AWARD OF CONTRACT</u>

Section 3.01 shall be amended to include the following:

The contract proposal has been divided into two portions, the Basic Proposal and Additive No. 1 Proposal. The Additive No. 1 Proposal contains work items which were previously assigned to Water Department forces. The work consists of removing and restoring water services, providing temporary water service and providing permanent water service.

The award of contract, if made, will be for the low bid of Basic Proposal or combination of Basic Proposal plus Additive No. 1 Proposal at the discretion of the Board of Public Works.

When the bid received for the Additive No. 1 Proposal portion is more than ten percent above the City estimate, or when no Additive No. 1 Proposal bid is submitted by the Basic Proposal low bidder, the Additive No. 1 portion of the work may be done by Water Department forces.

No additional compensation will be made to the contractor for deletion of Additive No. 1 items.

Sincerely,

Kenneth M. Lowthian

Kenneth M. Lowthian
Superintendent of Water

KML:MHL:lm
Attach.
cc:Board of Public Works

CERTIFICATE OF INSURANCE

Per State of Washington, Office of Insurance Commissioner
March 15, 1971
BULLETIN NO. 71-2
This Certificate of Insurance does not alter, amend, extend, or vary the coverages afforded by the policy or policies referred to herein. It is simply a synopsis or summary of the actual insurance contract.

Certificate Issued To: City of Seattle
Municipal Building
Seattle, Washington 98104

Name of Insured: CITY OF SEATTLE but only as respects the contract or license described below, and
Holt Construction Co./dba
King Construction Co.

This is to certify that the insurance indicated hereunder has been issued and is in full force and effect on the effective date of this certificate.

DESCRIPTION OF COVERAGES AND LIMITS

Bodily injury liability coverage with limits of not less than $1,000,000 for bodily injury, including accidental death, to any one person, and subject to that limit for each person, in an amount not less than $5,000,000 for each occurence; and property damage coverage in an amount of not less than $ 100,000 for each occurence. "Bodily injury" means, subject to the terms, conditions and exclusions of the policy, bodily injury, sickness or disease sustained by a person, including (a) death resulting therefrom and (b) damages for care and loss of services because of bodily injury, sickness or disease.

The forgoing insurance is provided by one or more of the following policies depending upon the terms, conditions and limits contained in each specific policy:

INSURANCE COMPANY	POLICY NUMBER
United Pacific Insurance Company	LP 3 25 99 74
Stonewall Insurance Company(C.V.Starr & Co.)	31000012
Insurance Company of the State of Pennsylvania	4376-2520

This certificate is issued in connection with: Contract 76-79, Tillicum Road Southwest, et al by Watermains, etc., LID No. 6669, Ordinance No. 105446.

Ten (10) days' written notice of cancellation, termination or material change in the above insurance will be given to the City of Seattle provided said cancellation termination or material change occurs before completion and final acceptance of the contract described herein or before termination of the annual term of the license described herein.

Date of Issue: 8-5-76

BEESON & Company, Inc.

Acceptable as to form and content.

By: [illegible]
[illegible] Building
[illegible]
[illegible]

John P. Morris, Corp. Counsel
by [illegible] Aug 4, 1976
G. Grant Wilcox, Asst.

BEESON & Company, Inc.
Surety Bonds • Insurance
250 Central Building
Seattle, Washington 98104
622-6330

RECEIVED
AUG 5 8 25 AM '76
SECRETARY
BOARD OF PUBLIC WORKS

August 5, 1976

Betty L. McFarlane
Executive Secretary
Seattle Board of Public Works
303 Municipal Building
Seattle, Washington 98104

Re: B.P.W. Project No. 76-79

Dear Ms. McFarlane:

The attached certificate of insurance is the result of a meeting bewteen myself and Mr. Blaine Howe of the Corporation Counsel's office yesterday afternoon. It contains our best effort to evidence compliance with the insurance requirements of the above contract.

The insurance policies described in the certificate are standard within the insurance industry and of the type normally carried by contractors engaged in watermain construction. Such insurance has been generally accepted by the State of Washington, City of Tacoma, City of Everett, City of Bellevue, the various King and Snohomish County Water districts and the Federal Government for watermain projects throughout the State of Washington.

Bodily injury liability coverage, which includes sickness, disease or death, is the only type of readily available insurance that I know of which will meet the "public health liability coverage" specified in the above contract. At the conclusion of our conference yesterday, I am of the impression that your legal department is in substantial agreement with me.

Thankyou for your assistance in resolving this matter.

Sincerely yours,

John C. Beeson

B PW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

August 9, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Board of Public Works Consultant Contracts

Due to questions received on procedures to be followed on consultant contracts, we remind all concerned that expert and consultant contracts for "services in connection with public works or which the Board of Public Works is or shall be authorized to enter into,...." are exempt from the Purchasing Agent's Ordinance #102151.

The attached letter dated June 11, 1976, from T. H. Terao, E. L. Kidd, and W. R. Hundley regarding procedures for service contracts specifically notes that the Purchasing Agent's procedures do not include "contracts for services in connection with public works or which the Board of Public Works is authorized to enter into,...."

All Board Departments should follow the Board of Public Works policy on Consulting Services, a copy of which also is attached, on any contracts that are in these categories.

BLM/EJH/jw

Attachments

cc: E. L. Kidd, City Comptroller
Robert L. Snyder, City Architect
Orig: Purchasing Agent
Copies: Consultants

ROUTING	DATE	INITIAL
ACTION		
INFORMATION		
~~PGW~~		
PMB		
GEM		
WEPS		
RRP		
JGR		
WGV		

AUG 11 8 16 AM '76

SEATTLE ENG DEPT

Comptroller's Office
City of Seattle

Ordinance 102151
is filed under 5-18-73

June 10, 1976

MEMORANDUM

To: All City Departments

From: T. H. Terao, Purchasing Agent, E. L. Kidd, Comptroller,
Walter R. Hundley, Budget Director

Reference: Ordinance 102151, Council Resolution 25213

Reference is made to Purchasing Memorandum #2-443, dated April 19, 1976, which was issued concurrently with the implementation of enforcement action by the Comptroller, regarding Direct Vouchers for goods and services not authorized by Purchasing.

It is recognized that certain commitments were made in good faith before enforcement action was taken by the Comptroller. Accordingly, such items will be reviewed on their individual merits and approval may be given by Purchasing in order to prevent hardship imposed upon suppliers and contractors who provided such goods and services, unaware that said transactions were unauthorized.

Accordingly, all such invoices must be submitted for approval to Purchasing before JUNE 30,1976. AFTER THAT DATE, there will be no more "after the fact" ratification by this office, and UNAUTHORIZED PURCHASES WILL BECOME THE OBLIGATION OF THE RESPONSIBLE EMPLOYEE.

The reference ordinance, states that "no City officer or employee shall have authority to order or contract for the purchase of any supplies, materials, equipment or service within the purview of this ordinance except through, or in accordance with rules and regulations prescribed by the City Purchasing Agent, and no order or contract made contrary to the provisions hereof, shall be approved by the City Purchasing Agent or be binding upon the City".

The ordinance provides for the following exceptions:

1. Expert and consultant services needed by various departments, provided that all using agencies contracting for expert and consultant services must file with the Purchasing Agent specifications as to the scope of work covered by any such contract for expert and consultant services and that contracts for such services are approved by OMB prior to the issuance of said contracts. Contracts when recieved in Budget Control of the Comptroller's Office, must have sign off by the Purchasing Agent that specifications are on file with the Purchasing Agent and OMB approval.

X 2. Contracts for services in connection with public works or which the Board of Public Works is authorized to execute.

3. Acquisition of real property and property rights.

4. Processing of claims and all litigation.

Council Resolution 25213 contemplates that City departments may voucher directly up to $50.00 for goods and services per voucher. This is now to be further defined as $50.00 per voucher, per vendor, per Department, per Fund, per voucher period. In addition, it would be in the City's best interests for the following categories of items to be procured and paid for directly and not to be subject to the $50.00 limitation.

1. Utility bills, i.e., water, light, natural gas, etc..

2. Communication services, i.e., monthly telephone services, postage stamps, etc..

3. Publications, i.e., newspaper and magazine subscriptions, help wanted ads, advertisements required by law (but not reports, program descriptions, messages to the citizenry, etc., which go beyond the scope of an official advertisement). Invoices for advertisement must be accompanied by a copy of the advertisement.

4. Professional association memberships and publications.

5. Travel Expenses - transportation, hotel/meals, etc..

6. Intergovernmental and intragovernmental transfers.

7. Rental of real property - Budget Control in the Comptroller's Office must have an approved executed contract on file before a payment will be made.

8. Petty cash expenditures - $10.00 per item is the limit and this will be enforced.

9. Education Expenses - Tuition, etc. (Education Expenses that exceed $25.00 per class, per individual must be approved by OMB).

The Comptroller's Office will not process vouchers for any commitments made after June 30, 1976, which do not abide by the above guidelines, nor will Purchasing give ratification after such commitment has already been made.

THT:ELK:LRH:CB:bjm

CONSULTING SERVICES

Consultants, architectural or engineering - To be retained for the procurement of design and the preparation of drawings and specifications as well as specialized engineering studies or tests, reports and surveys. The Budget Office under the authority of the Office of the Mayor issued a Standard Operating Procedure dated May 10, 1973, for the purpose of establishing the approval process for the use of consultants in all departments. See City of Seattle Policy and Procedure Manual. Also see pages 46 and 47 of this book for ordinance information pertaining to the "Seattle Design Commission."

Public Works Projects requiring consultant service should be made known through the press and an official notice published in the City Official Newspaper prior to the awarding or negotiation for the consultant services required. (one insert only)

The notification is an invitation to those interested in providing consulting services on the particular project to so state in a letter to the Board (or to the department having jurisdiction over the project) and to request they be given consideration.

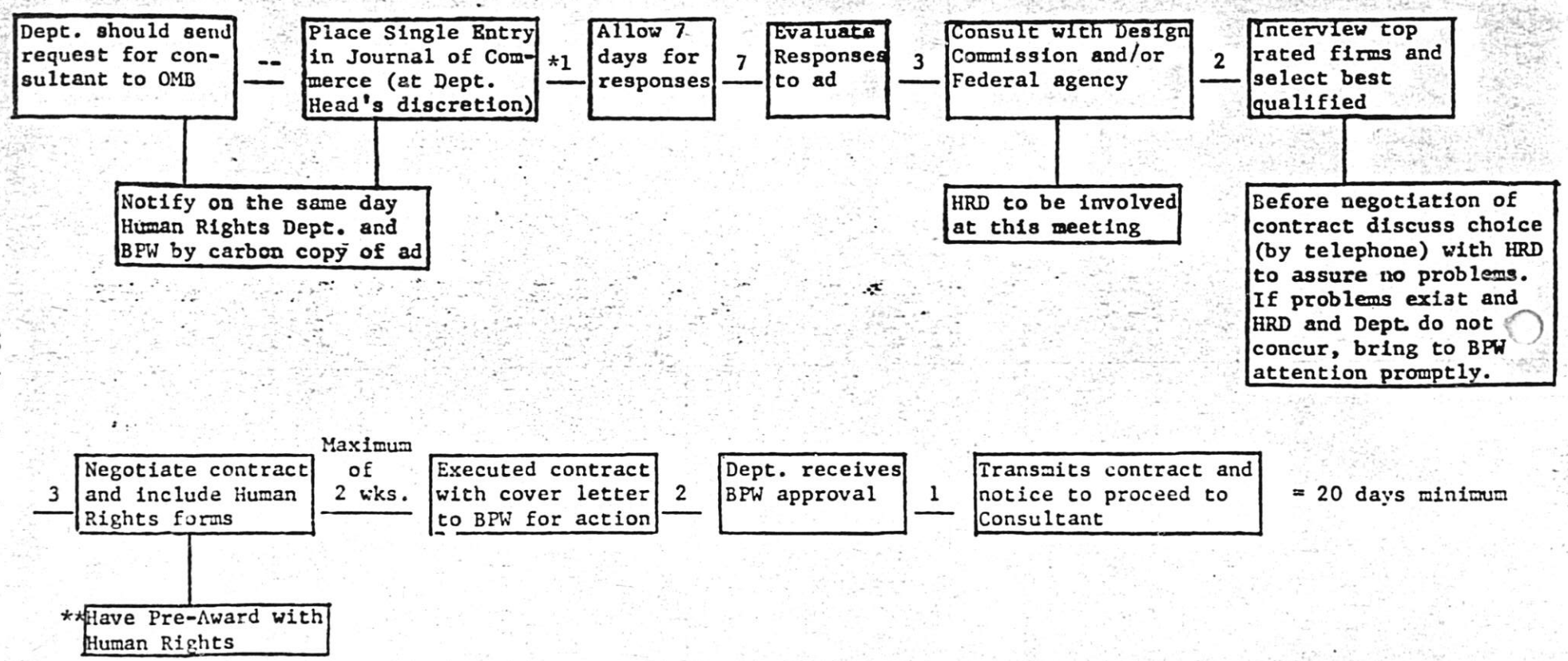
As per Board policy, adopted November 17, 1971, fees are on a lump sum, cost per unit of work or cost plus fixed-fee basis. Selection of a firm, or individual, from those interested is made by the head of the department concerned, with the approval of the Board of Public Works, for negotiation of a fee that is fair to both the profession and to the owner.

A department head, member of the Board of Public Works, desiring consulting services (engineering, architectural, art, landscaping, etc.) in connection with a Board of Public Works project, shall operate in accordance with the following procedures:

1. He shall inform the Board of Public Works of the need for the services and shall request approval of the Board.
2. At the discretion of the department head an advertisement calling attention to the proposed service should be placed in the City Official Newspaper.
3. The department head shall receive and evaluate the qualifications of the individuals who indicate an interest in performing the desired work.
4. The department head shall submit to the Board of Public Works his recommendation for the retaining of the consultant indicated and, when requested, shall provide the backup information used to assist in the selection.
5. The Board shall review the recommendations of the department head and any other pertinent information available and shall authorize the department head to enter into a contract with the consultant by the process of negotiating the fee and returning the contract to the Board for approval at a meeting of the Board. Approval requires that the actual contract be signed by the department head, consultant, Board Chairman and Executive Secretary of the Board.

Payments to the consultant or architect may be made directly by the department head involved, in accordance with the original agreement.

BOARD OF PUBLIC WORKS
STEPS FOR RETAINING CONSULTANTS ON PUBLIC WORKS PROJECTS



* Calendar days

** At pre-award, if problem exists, HRD recommends X number of days (maximum of 2 weeks) delay to investigate. If by delayed time HRD has not resolved problem, awarding authority shall award contract. Investigation can still go on. If probable cause is found, HRD can then use Ordinance procedures to obtain compliance. If during investigation, and prior to award, consultant fails to cooperate, recommendations will be made to the Board not to award to that consultant.

APPROVED by the Board of Public Works in regular session October 22, 1975.

60 (Supplement)

B PW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

July 30, 1976

To: Walter R. Hundley, Director
Office of Management and Budget

From: Betty L. McFarlane, Executive Secretary BLM

Re: Revenue Estimate Projections

Attached is the Revenue Report Projections for the Board of Public Works Department for 1977. A separate report of the projected revenue that would result from increase of daily administration charges from $4.00 to $5.50 was sent to you. The increased rate was used to determine the estimates of revenue for 1977 and 1978.

Form 5C (page 4 of 6) describes the reduced revenue expected from CATV franchise fees as a result of the election of Teleprompter to pay their required fees on an annual rather than quarterly base. This same form advises of the changes expected in contract arrangements with other government agencies in this area.

You will note that the budget for both divisions of this Department is more than 100% compensated by revenue deposits to the general fund.

We expect 1977 to be just as active in public works contracts as 1976. With this in mind, an increase in administrative charges from $4.00 to $5.50 a day from beginning of projects to end would increase the Board of Public Works' reimbursement to the General Fund from $88,000 (that is expected to be deposited this year) to $120,000.

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
Pam PCW		
WERS/JJC/WWS		

AUG 3 8 21 AM '76

SEATTLE ENG DEPT

BLM:EJH:jw
cc: All Board of Public Works Members
Attachment

REVENUE ESTIMATE PROJECTIONS

OMB FORM 5a

DEPARTMENT: BOARD OF PUBLIC WORKS

FUND: GENERAL

OMB USE	DESCRIPTION	1975 ACTUAL FIRST 6 MOS.	1975 ACTUAL LAST 6 MOS.	1976 ACTUAL FIRST 6 MOS.	1976 BUDGET	1976 EST. REVISED	1977 ESTIMATE	1978 ESTIMATE
	UNEXPENDED FUND BALANCE	——	——	——	——	——	0	——
	BOARD OF PUBLIC WORKS	15,640	41,881.50	46,487.00	45,000	88,000	120,000 (5.50)	120,000 (5.50)

OMB USE

REVENUE ESTIMATE PROJECTIONS

OMB FORM 5a

DEPARTMENT: BOARD OF PUBLIC WORKS

FUND: GENERAL

OMB USE	DESCRIPTION	1975 ACTUAL FIRST 6 MOS.	1975 ACTUAL LAST 6 MOS.	1976 ACTUAL FIRST 6 MOS.	1976 BUDGET	1976 EST. REVISED	1977 ESTIMATE	1978 ESTIMATE
	UNEXPENDED FUND BALANCE	—	—	—	—	—		—
	CATV FRANCHISES							
	TELEPROMPTER	59,225 (Annual)		0	130,500	0	100,000	164,000
	VIACOM	84,957 (Annual)		52,300.55		104,000	104,000	
	KING CO.	0	0	0	20,000	Same	16,500	16,500
	BELLEVUE	0	0	0	4,000	Same	4,000	4,000
	RENTON	0	0	0	2,000	Same	2,000	2,000
	KENT	0	0	0	0	0	1,000	1,000

OMB USE

REVENUE ESTIMATE DESCRIPTION

OMB FORM NO. 5c

DEPARTMENT: BOARD OF PUBLIC WORKS	FUND: GENERAL

OMB USE	DESCRIPTION	NARRATIVE
	Board of Public Works Administrative Charges	The $4.00 per day contract administration charge authorized by Ordinance 102688 has resulted in billing to the five Board Departments in the first six months of 1976 of $46,487. In preparation of the 1976 budget, it was expected that there would be a drop in public works projects. The drop has not happened. 1977 and 1978 estimates are projected from the figures for the last half of 1975 and the first half of 1976 at the $5.50 rate.

DEPT. HEAD: Betty L. McFarlane, Exec. Secretary

SIGNATURE: Betty L. McFarlane

REVENUE ESTIMATE DESCRIPTION

OMB FORM NO. 5c

DEPARTMENT: BOARD OF PUBLIC WORKS	FUND: GENERAL

OMB USE	DESCRIPTION	NARRATIVE
	CATV Franchise Fees	1976 estimate of $130,500 will fall about $25,000 short because Northwest Cablevision dba Teleprompter has elected to pay their fees on a yearly basis for 1976 rather than the quarterly basis previously used. The 1976 fee will be due in February of 1977 and Teleprompter will be required to pay 1977 fees on a quarterly basis. This action by Teleprompter will provide a disproportionate revenue picture for 1977. That is why the 1978 estimate is less than the 1977 estimate.
	CATV Administration Charges	1977 will see the total administration charges increased by the addition of the community of Kent and adjusted downward for King County. The 1976 estimate of $26,000 from contracts with King County, Bellevue and Renton remains the same. 1977 estimate is $23,500 and will include the city of Kent.

DEPT. HEAD: Betty L. McFarlane, Exec. Secretary

SIGNATURE: Betty L. McFarlane

FEES AND CHARGES

OMB FORM 5e

DEPARTMENT: BOARD OF PUBLIC WORKS				FUND: GENERAL		
FEE OR CHARGE (TITLE)	1976 CURRENT RATE	1976 AVERAGE COST	1977 PROPOSED RATE	1977 ESTIMATED ANNUAL VOLUME	1977 TOTAL ESTIMATED REVENUE	NOTES
CONTRACT ADMINISTRATION	4.00 per day	369.00 per day	5.50 per day	507.00 per day	120,000	

1977 REVENUES: 120,000 (at 5.50 per day)
1976 REVENUES: 88,000 (at 4.00 per day)

1977 NET REVENUE INCREASE: 32,000

OMB USE:

FEES AND CHARGES

OMB FORM 5e

DEPARTMENT: BOARD OF PUBLIC WORKS

FUND: GENERAL

FEE OR CHARGE (TITLE)	1976 CURRENT RATE	1976 AVERAGE COST	1977 PROPOSED RATE	1977 ESTIMATED ANNUAL VOLUME	1977 TOTAL ESTIMATED REVENUE	NOTES
CATV FRANCHISE FEES						
TELEPROMPTER			B&O TAX			
COLOR CABLE	6%	-				
NORTHWEST CABLE	4%	-	6%	SAME	100,000.00	
CRYSTAL CABLE	6%	-				
VIACOM			B&O TAX			
MASTER CABLE	6%					
UNITED CABLE	6%	104,000.00	6%	SAME	104,000.00	
TELE CABLE	6%					

1977 REVENUES: 204,000.00
1976 REVENUES: 104,000.00

1977 NET REVENUE INCREASE: 100,000.00

OMB USE:

PAGE 6 OF 6 PAGES

530.11

BPW PAUL WIATRAK, CITY ENGINEER

Re: Draft Spec. Changes

Board of Public Works
Office of the Executive Secretary

Betty L. McFarlane, Executive Secretary

DEPARTMENTAL ROUTING SLIP 7/26/76
(date)

All BPW Members
(referred to)

Blm
(referred by)

_____ Please prepare reply for the Executive Secretary's signature on office stationery.

_____ Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

X Forwarded for your investigation, report, and recommendation.

_____ Forwarded for your information and files.

_____ Other: _____

ROUTING	DATE	INITIAL
ACTION		
AEM/LK		
FILE		
INFORMATION		
PAW		
WEPS/EMW		

*Action requested no later than ASAP
(date)

SEATTLE ENG DEPT
Rec 8-2 Grist
JUL 29 11 PM '76

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

July 27, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary

Re: Public Works Contract Payments

The Washington State Legislative second extraordinary session under Chapter 49, Laws of 1975-76 amended RCW 39.12.040 as follows:

> "39.12.040 CERTIFIED STATEMENT OF HOURLY WAGE PAID REQUIRED--STATEMENT OF DIRECTOR OF LABOR AND INDUSTRIES. Before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a public works contract, it shall be the duty of the officer or person charged with the custody and disbursement of public funds to require the contractor and each and every subcontractor from the contractor or a subcontractor, to submit to such officer a 'Statement of Intent to Pay Prevailing Wages'. Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the department of labor and industries before it is submitted to said officer. Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the officer charged with the disbursement of public funds, to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer an 'Affidavit of Wages Paid' before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor. Each affidavit of wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to said officer."

The Corporation Counsel advises that disbursement of City funds is the responsibility of the City Comptroller. They also advise that the Instructions to Bidders in Public Works Contract Specifications are to bring to the contractor's attention the requirement of this amendment.

It is essential that the Comptroller is provided with the names of the prime contractor and all subcontractors on a public works project. To do this, the Board of Public Works Department will notify the City Comptroller of subcontractors listed in the proposal of the successful bidder at the time the contract is awarded and will transmit a copy of each subcontractor form approved by the Board to the City Comptroller.

Prime contractors will be required to submit a Statement of Intent to Pay Prevailing Wages for all trades within their own firm and also for all trades of subcontractors on the project.

A subcontractor is defined as "the individual, firm, partnership or corporation to whom the contractor with written consent of the owner, sublets any part of the work covered in the contract."

For all Board Departments to be consistent with this new law, the Instructions to Bidders section of the specifications is to include the following insert:

Instructions to Bidders Modification

Contractors are advised that before payment is made on this contract by the owner, the successful bidder must file with the City Comptroller a Statement of Intent to Pay Prevailing Wages form approved by the Industrial Statistician of the State of Washington Department of Labor and Industries for the contractor and for each and every subcontractor from the contractor or a subcontractor on the project.

Contractors are also advised that each voucher claim submitted for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency or the estimate will not be paid.

Lastly, contractors are advised that before contract retainage is released on this contract by the owner, an Affidavit of Wages Paid, certified by the Industrial Statistician of the State of Washington Department of Labor and Industries, must be on file with the City Comptroller, for the contractor and for each subcontractor on the project.

EJH:jk
cc: Len Koski/Elvira Holmqvist, Engineering
Irv Rodley/Evelyn Larson, Parks & Recreation
R. L. Snyder, Building
John Hansen, Lighting
Bill Rashkov, Water
City Comptroller
Corporation Counsel
Attn: G. Wilcox

BPW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

July 26, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Human Rights Forms - Public Works

Human Rights Department advised us that each Department should be especially careful in placing the correct updated Instructions to Bidders in Public Works Specifications. In some cases, old forms have been inserted.

Everyone should be using HRI E-1CS25.127 revised 7/14/75.

BLM:jk

cc: Human Rights Department
attn: Nate Sanders

SEATTLE ENG DEPT
JUL 27 11 37 AM '76

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
AEM/LK		
DR		
WEPS/EMW/REB		

EQUAL EMPLOYMENT OPPORTUNITY

INSTRUCTIONS FOR CONTRACT COMPLIANCE, ORDINANCE NO. 101432

A. GENERAL

As part of the execution of the contract, the Contractor shall comply with the following Ordinance and other requirements relative thereto, copies of which are enclosed:

1. Ordinance No. 101432
2. Sworn Statement for Compliance with Section 4, Ordinance No. 101432
3. Form E-3, entitled, "Estimated Projected Employment Profile"
4. Form E-4, entitled, "Subcontractors Contact Report"
5. Form A-1/E-5, entitled, "Equal Employment Opportunity Report"
6. Board of Public Works Policy for "Utilization of Minority Business Enterprises"

The use of these requirement and forms for compliance with Ordinance No. 101432 are to be implemented as follows:

B. SUBMISSION OF BIDS

1. Section 3.1 of Ordinance No. 101432 establishes specific requirements to be met in regard to bidding on public works contracts. Failure to meet these requirements will cause bids to be considered nonresponsive for reason of noncompliance.

   The form entitled, "Sworn Statement for Compliance with Section 4, Ordinance No. 101432", is required for conformance with Section 3.1 of the Ordinance and is to be completed, notarized, and submitted with the sealed bid. YOU ARE REQUIRED TO INSERT A NAME IN PART B OF THE FORM. SIGNATURE AND NOTARIZATION ARE ALSO REQUIRED.

   In the event that Bidder has an Affirmative Action Plan which meets the requirements of Section D of the Sworn Statement (excluding Subsection 2 of Section D) such plan may upon the approval of the Department of Human Rights be submitted in lieu of implementing Section D.

   IF A BID IS OPENED AND IT IS FOUND THAT THE CONTRACTOR HAS NOT SUBMITTED THE SWORN STATEMENT, AND/OR HAS NOT COMPLIED WITH THE ABOVE INSTRUCTIONS, THE BID WILL NOT BE READ.

2. Under Subsection 2 of Section D of the Sworn Statement and pursuant to the Board of Public Works Policy for "Utilization of Minority Business Enterprises", it is a requirement that prime contractors, "SEEK OUT AND NEGOTIATE WITH MINORITY CONTRACTORS TO RECEIVE SUBCONTRACT AWARDS, AND SUBMIT A LIST OF THOSE CONTRACTORS SOLICITED WITH BID."

   Available to the prime contractor from the Department of Human Rights is a list of minority contractors and subcontractors in the Seattle/King County area. A SUBCONTRACTORS CONTACT REPORT (Form E-4) is included in the bid specifications and shall be submitted by the prime contractor with bid.

3. An "ESTIMATED PROJECTED EMPLOYMENT PROFILE" (Form E-3) shall be filled out and submitted with bid. This form will be used as a projection and commitment of minorities and females to be used throughout all phases of the work force of the awarded contract.

C. CONTRACT AWARDING PROCEDURES PERTINENT TO ORDINANCE NO. 101432

A preaward conference will be held with the apparent low bidder, at which time:

1. The bidders program for compliance with the provisions as noted herein will be examined in detail and his capability for carrying out the program will be evaluated. Part of the program shall include where practicable having the prime contractor and the major subcontractors break down portions of the work into segments that are within the capabilities of minority contractors. A business will be considered a minority business if more than 50% of the ownership is owned by minorities.

2. ADDITIONAL FORMS:

   Local Manpower Report (HRI, B-3)
   Subcontractors Projected Employee Totals (HRI, B-4)
   Estimated Start and Construction Data (HRI, B-5)

   Will be given to the contractor to be completed and returned to the Department of Human Rights five (5) days prior to the start of the project. These forms shall reflect the Affirmative Action and commitment of minorities and females projected to work for the subcontractor(s) on this project. The requirements of the subcontractor(s) regardless of tier, are the same as the prime contractor as specified in the Sworn Statement for compliance with Section 4, Ordinance 101432, and is the prime contractor's responsibility to see that the subcontractors comply with said requirements.

3. Any subcontractor requested by the prime contractor to perform any portion of the contract after the project has started shall be required to submit forms HRI B-4 and HRI B-5 at the time the request for subcontractors is made.

D. CONTRACT PROGRESS AFTER AWARD OF CONTRACT AND START OF WORK

1. "Equal Employment Opportunity Reports" (Form A-1/E-5) shall be submitted, as per instructions, to the Human Rights Department during the progress of the project. The Department of Human Rights holds the Prime Contractor responsible for the subcontractors' Affirmative Action Program and "Equal Employment Opportunity Reports." The Form A-1/E-5 Reports submitted after the start of work should not be estimates of future employment levels, but should be actual employment figures.

2. During the progress of the work on the contract, when the Contractor submits the A-1/E-5 Reports, he must also obtain A-1/E-5 Reports from all his subcontractors presently on the project and must submit the subcontractors' A-1/E-5 Reports along with his to the Department of Human Rights.

3. All A-1/E-5 Reports will be examined by the Contract Compliance Division of the Department of Human Rights. In the event that the Contract Compliance Division is not satisfied with the report(s), an approach shall be made to the contractors by the Human Rights Department in an attempt to reach a satisfactory conclusion in regard to the contractors' affirmative action in minority and female employment.

4. In the event that the Human Rights Department does not find the A-1/E-5 Reports to be satisfactory after the contractor has been approached, and a satisfactory conclusion cannot be reached between the Department of Human Rights and the contractor, a report shall be transmitted to the Board of Public Works for its findings. A request shall be made that the Board of Public Works take appropriate action, as set forth in Ordinance No. 101432.

5. Each successful bidder will receive twelve (12) copies of the A-1/E-5 Report Form from the Contract Compliance Division of the Department of Human Rights.

JRS:wmg
7/14/75
Revised

B PW
7/23

ENGINEERING DEPARTMENT

July 23, 1976

Betty L. McFarlane

A. E. Maronek

Effect of Senate Bill 2143 on Board of Public Works Projects

In answer to your following three questions relative to the effect of Senate Bill 2143 on Engineering Department projects, we have the following to report:

1. How many projects would not have gone to bid since legislation became effective?

   No. of projects--2.

2. Which projects would have been done with City forces?

   South Findlay, Asphalt Paving.
   Northeast Pacific Street, et al, Phase I, by Paving, etc.

3. What percent of project funds were attributable to Senate Bill 2143?

   The average is 7 percent to 10 percent.

EWK:ne
cc: D. Roletto

Information	
Concurrence Prior to Signature	

Ans verbal req
EWK

BPW

ASSISTANT CORPORATION COUNSEL

JAMES M. TAYLOR
GORDON F. CRANDALL
G. GRANT WILCOX
THOMAS J. WETZEL
ARTHUR T. LANE
JORGEN G. BADER
CHARLES R. NELSON
LAWRENCE K. McDONELL
J. ROGER NOWELL
E. NEAL KING
JAMES B. HOWE, JR.
DONALD H. STOUT
PHILIP M. KING
RICHARD E. MANN
WALTER L. WILLIAMS
JAMES G. BLAIR
CHARLES D. BROWN
DONA M. CLOUD
ROSS A. RADLEY
DIANA F. THOMPSON

THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING · SEATTLE, WASHINGTON 98104
AREA CODE 206 TELEPHONE 625-2402

JOHN P. HARRIS, CORPORATION COUNSEL

CITY PROSECUTORS

RICHARD S. OETTINGER
ROBERT M. ELIAS
JACK B. REGAN
ROBERT B. JOHNSON
JOSEPH T. SCHLOSSER
DAVID S. ADMIRE
MYRON L. CORNELIUS
ELIZABETH A. HUNEKE
HARRIET M. CODY
MARIANNA S. COOKE
PHILLIP AARON

CLAIMS MANAGER

V. L. PORTER

√ July 6, 1976

ROUTING	DATE	INITIAL
ACTION		
AEM	LK	
FILE	✓	
INFORMATION		
PAW		
PMB		

SEATTLE ENG DEPT
JUL 7 9 45 AM '76

Re: Time incentives in public works contracts

Paul A. Wiatrak, P.E.
City Engineer
The City of Seattle

Attention: Arthur E. Maronek
Principal Assistant City Engineer

Dear Sir:

By letter of April 26, 1976, you refer to previous opinions of this office relating to liquidated damages and value engineering (contractor incentives) and you state that there is "one additional provision we desire to include in the specifications; namely, time incentives." You state as follows:

> "Currently, construction contracts are let with a City-specified time period within which the project must be completed. This time period represents our judgement as to a reasonable period of time for construction of the project. The penalty for later completion is set forth as liquidated damages, but no incentive is set forward for early completion.
>
> "As you noted in your advice to us on liquidated damages, there are costs to the City, and to the public, for every day a project is not completed. We propose to minimize this cost by including a time incentive in every special provision which contains a liquidated damages clause."

You state that such time incentive would benefit the City by savings in construction and other costs through early completion and save costs to the public, and you

Orig: Corp Counsel 17-9
Copy: Value Engineering

further state that "The amount of money paid to the contractor would always be substantially less than the dollar benefit accruing to the City and the public; . . ." You request our opinion as to the legality of including such time incentive provisions in public works contracts.

The provision you propose is described as follows:

"1. The contract document would set forth the City's requirement as to the time period for completion of the contract.

"2. The special provisions on liquidated damages would set forth the amount per day that would be levied against the contractor for each day he is late, as compared to the City requirements, for at least 2 of 3 classes of costs; namely:
   a. Liquidated damages levied by the State (for jobs involving State or federal funds).
   b. Liquidated damages levied by the City equal to the average daily inspection and related costs.
   c. Public costs, as computed by the Seattle Engineering Department.

"3. In order to be eligible for such time incentives, contractors would be required in the bid document to state the number of days, not to exceed the City's requirements, he would need to complete the contract.

"4. Legitimate time extensions would be applied to both the City's required completion period and the contractor's target. The special provisions would contain a time incentive clause, which would provide payment to the contractor of:
   a. 50% of Item 2B above, per day of early completion; provided that the contractor meets or betters his target as stated in Item 3 above.
   b. 25% of Item 2B above, per day of early completion, where the contractor exceeds his target but betters the City's requirement."

Regarding liquidated damages, we advise that provisions in public works contracts requiring the same will be enforced only in the event that -

1. The amount fixed is a reasonable forecast of just compensation for the harm that is caused by the breach; and

2. The harm that is caused by the breach is one that is incapable or very difficult of accurate estimation.

Brower Co. v. Garrison, 2 Wn. App. 424, 468 P.2d 499 (1970); Rowland Construction v. Beall Pipe, 14 Wn. App. 297, 310 (1975).

A question which arises from your proposal is whether the extra compensation granted to such a contractor for completing a project earlier than required in some manner contravenes Article II, § 25 of the State Constitution (Amendment 35), which provides as follows:

> "The legislature shall never grant any extra compensation to any public officer, agent, employee, servant, or contractor, after the services shall have been rendered, or the contract entered into, nor shall the compensation of any public officer be increased or diminished during his term of office. Nothing in this section shall be deemed to prevent increases in pensions after such pensions shall have been granted."

While referring to the legislature, the section is not limited in its application to actions of the legislature but applies to all agencies of government. Everett v. Johnson, 37 Wn.2d 505, 224 P.2d 617 (1950)

You have recited in your letter of April 26, 1976 that there are ascertainable benefits flowing to the City from early completion of public works contracts. You cite not only general benefits to the public from early completion of contracts but, in certain specific instances, benefits that may relate to other contracts within the same public works project. The promise of additional compensation here is made upon execution of such a public works contract, and not subsequent thereto. A promise to pay additional compensation made after the execution of a contract and not supported by consideration would be a promise to pay additional compensation for work which is already the obligation of the contractor.

Such a promise is proscribed by Article II, § 25 of the State Constitution. (See Christie v. Port of Olympia, 27 Wn.2d 534, 179 P.2d 294 (1947).) However, where an agreement incorporates a promise at the outset to make an incentive payment for early completion of the work, and such early completion is demonstrably a benefit to the City, it is our opinion that the agreement to make an incentive payment is supported by consideration, and not proscribed by Article II, § 25. Duffy Bros. v. Bing & Bing, 217 App. Div. 10, 215 N.Y.S. 755 (1926). However, we advise that subjecting early completion proposals to competitive bidding would be of doubtful validity under Article VII, § 15 of the City Charter, which provides in part as follows:

> "All public improvements to be made by contract shall be let to the lowest bidder. Before awarding any such contract the board of public works shall publish a call in the official newspaper of the city for at least five consecutive days, inviting sealed bids for such improvement. A copy of the plans and specifications shall at the time of the first publication of such call be on file in the office of the secretary of the board, open to public inspection.
>
> "* * *"

To be consistent with the above-quoted provision of the City Charter, we recommend a flat-rate incentive payment for every day saved in advance of the City's required completion date and the proposed payment could readily be a percentage of liquidated damages, as appropriate. The lowest bidder, whoever he may be, would then be compensated in the manner described and all bidders would be bidding against the same standard, i.e., the City's required completion date.

We will assist you in drafting such contract provisions upon your further request.

Yours very truly,

JOHN P. HARRIS
Corporation Counsel

By Donald H. Stout

DONALD H. STOUT
Assistant

DHS:klm

BPW

PAUL A. WIATR[illegible], P.E., CHAIRMAN, CITY ENGINEER

Board of Pub[illegible] Works
Office of the Executive Secretary
Betty L. McFarlane, Executive Secretary

Re: RCW 3[illegible].12.040
Prevailing wages on Public Works

DEPARTMENTAL ROUTING SLIP

6/22/76
(date)

All Board of Public Works
(referred to)

Members
Blm
(referred by)

SEATTLE ENG DEPT
JUN 22 12 46 PM '76

____Please prepare reply for the Executive Secretary's signature on office stationery.

____Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

____Forwarded for your investigation, report, and recommendation.

X Forwarded for your information and files.

____Other: We will be putting together a suggested procedure for complying with the Davis law. Any suggestions from depts will be welcome.

ROUTING	DATE	INITIAL
ACTION		
ACTION		K
		✓
INFORMATION		
		DR
WSCPC		

*Action requested no later than _____
(date)

cc: City Comptroller

orig: Legislation

ASSISTANT CORPORATION COUNSEL
JAMES M. TAYLOR
GORDON F. CRANDALL
G. GRANT WILCOX
THOMAS J. WETZEL
ARTHUR T. LANE
JORGEN G. BADER
CHARLES R. NELSON
LAWRENCE K. MCDONELL
J. ROGER NOWELL
E. NEAL KING
JAMES B. HOWE, JR.
DONALD H. STOUT
PHILIP M. KING
RICHARD E. MANN
WALTER L. WILLIAMS
JAMES G. BLAIR
CHARLES D. BROWN
DONA M. CLOUD
ROSS A. RADLEY
DIANA F. THOMPSON

THE CITY OF SEATTLE

LAW DEPARTMENT
MUNICIPAL BUILDING, SEATTLE, WASHINGTON 98104
AREA CODE 206 TELEPHONE 625-2402
JOHN F. HARRIS, CORPORATION COUNSEL

CITY PROSECUTOR
RICHARD S. DETTIE
HOBERT M. ELIA
JACK B. REGAN
ROBERT B. JOHNS
JOSEPH T. SCHLOSS
DAVID S. ADMIRE
MYRON L. CORNELL
ELIZABETH A. HUNT
HARRIET M. COD
MARIANNA S. COOK
PHILLIP AARON
CLAIMS MANAGER
V. L. PORTER

RECEIVED
JUN 21 9 59 AM '76
SECRETARY
BOARD OF PUBLIC WORKS

June 18, 1976

Ms. Betty L. McFarlane,
Executive Secretary
Board of Public Works
The City of Seattle

Dear Ms. McFarlane:

By letter of May 3, 1976 you ask for clarification of the responsibilities of the five Board of Public Works Departments, the Board itself and the City Comptroller with respect to Chapter 49, Laws of 1975-1976, Second Extraordinary Session, effective June 25, 1976, which amended RCW 39.12.040 relating to prevailing wages on public works projects to read as follows:

> "39.12.040 CERTIFIED STATEMENT OF HOURLY WAGE PAID REQUIRED--STATEMENT OF DIRECTOR OF LABOR AND INDUSTRIES. Before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a public works contract, it shall be the duty of the officer or person charged with the custody and disbursement of public funds to require the contractor and each and every subcontractor from the contractor or a subcontractor, to submit to such officer a 'Statement of Intent to Pay Prevailing Wages'. Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the department of labor and industries before it is submitted to said officer. Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the officer charged with the disbursement of public funds,

to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer an 'Affidavit of Wages Paid' before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor. Each affidavit of wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to said officer."

The statement made in your letter that "the officer or person charged with the custody and disbursement of public funds" mentioned in RCW 39.12.040, as amended, is the City Comptroller is correct. He is made so by Article VIII, Section 1 of the City Charter, which reads as follows:

"Section 1. POWERS AND DUTIES OF CITY COMPTROLLER: There shall be a city comptroller who shall exercise general supervision over the financial affairs of the city. He shall number and keep a record of all demands, showing the date of approval, amount and name of original holder, the number, on which account and out of what fund payable. He shall be required to be constantly acquainted with the exact condition of the treasury. He shall, on or before the fifth day of each month, or oftener, if required, report to the mayor and the city council the condition of each fund in the treasury. He shall keep a complete set of books by double entry system for the city, in which shall be set forth in plain and business-like manner every money transaction of the city, so that he can at all times tell the exact condition of the city's finances. He shall issue all licenses in accordance with law on presentation to him of a receipt of payment from the city treasurer. He shall sign all warrants upon the treasurer, and shall perform such other duties as are prescribed by law."

Under the amended statute, contractors and every subcontractor must submit to the City Comptroller, a "Statement of Intent to Pay Prevailing Wages," which statement must be approved by "the industrial statistician of the Department of Labor and Industries" before it is submitted to the Comptroller as aforesaid.

Following the final acceptance of the project, the contractor and each subcontractor must also submit ". . . an Affidavit of Wages Paid before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor. Each affidavit of wages paid must [also] be certified by the industrial statistician of the Department of Labor and Industries before it is submitted to said officer" [City Comptroller].

It will be necessary for the Board of Public Works to revise its instructions to bidders so as to bring to their attention the requirements of RCW 39.12.040 as amended by said Chapter 49.

Also, a determination will have to be made as to the time when the Statement of "Intent to Pay Prevailing Wages" is to be filed with the City Comptroller. Filing could be required prior to submittal of bids so that proof of filing can be enclosed with the bid -- in which case the ability of "the industrial statistician of the department of labor and industries" to handle the volume of work necessitated by the requirement of his prior approval of the statement may be an important consideration; or by the successful bidder and his subcontractors after bids are opened but before formal award is made.

It will also be necessary to find a means of making certain that the Comptroller is provided with the names of the prime contractor and all of the subcontractors on a particular project before he makes any payments and also as a means of assuring him that the wages reported in the "Affidavit of Wages Paid" are in the correct amounts.

A copy of Chapter 49, Laws Second Extraordinary Session 1975-1976 is enclosed.

Yours very truly,

JOHN P. HARRIS
Corporation Counsel

By
G. GRANT WILCOX
Assistant

GGW:vf

Att.

cc City Comptroller

NEW SECTION. Sec. 5. There is added to chapter 184, Laws of 1933 and to chapter 67.08 RCW a new section to read as follows:

Every licensee who charges and receives an admission fee for exhibiting a simultaneous telecast of any live, current, or spontaneous boxing or sparring match, or wrestling exhibition or performance on a closed circuit telecast viewed within this state shall, within seventy-two hours after such event, furnish to the commission a verified written report on a form which is supplied by the commission showing the number of tickets issued or sold, and the gross receipts therefor without any deductions whatsoever. Such licensee shall also, at the same time, pay to the commission a tax equal to five percent of such gross receipts paid for admission to the showing of the contest, match or exhibition. In no event, however, shall the tax be less than twenty-five dollars. The tax shall apply uniformly at the same rate to all persons subject to the tax. Such receipts shall be immediately paid by the commission into the general fund of the state.

NEW SECTION. Sec. 6. Section 13, chapter 184, Laws of 1933 and RCW 67-.08.070 are each hereby repealed.

Passed the House January 30, 1976.
Passed the Senate February 13, 1976.
Approved by the Governor February 21, 1976.
Filed in Office of Secretary of State February 21, 1976.

CHAPTER 49

[House Bill No. 425]

PUBLIC WORKS—PREVAILING WAGE REQUIREMENTS

AN ACT Relating to public works contracts; amending section 4, chapter 63, Laws of 1945 as amended by section 3, chapter 133, Laws of 1965 ex. sess. and RCW 39.12.040, adding a new section to chapter 63, Laws of 1945 and to chapter 39.12 RCW; and providing penalties.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 4, chapter 63, Laws of 1945 as amended by section 3, chapter 133, Laws of 1965 ex. sess. and RCW 39.12.040 are each amended to read as follows:

Before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a public works contract ((~~for a public improvement~~)), it shall be the duty of the ((~~state treasurer, or of the treasurer of the county or municipal corporation, or other~~)) officer or person charged with the custody and disbursement of ((~~the state or corporate~~)) public funds((~~, applicable to the contract under and pursuant to which payment is made,~~)) to require the contractor and each and every subcontractor from the contractor or a subcontractor((;)) to ((~~file a statement in writing~~)) submit to such officer ((~~and to the director of the department of labor and industries, certifying the rate of hourly wage paid each classification of laborers, workmen or mechanics employed by him upon such work, and further certifying that no laborer, workman or mechanic employed by him upon such public work has been paid less than the prevailing rate of wage or less than the minimum rate of wage specified in the contract, which certificate and statement so to be filed~~

~~shall be verified by the oath of the contractor or subcontractor, as the case may be, that he has read such a statement and certificate subscribed by him and knows the contents thereof, and that the same is true to his knowledge: PROVIDED, HOWEVER, That before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a contract for a public improvement, the director of the department of labor and industries shall issue a statement certifying that the prevailing wage requirements of this section have been satisfied)),~~a "Statement of Intent to Pay Prevailing Wages". Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the department of labor and industries before it is submitted to said officer. Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the officer charged with the disbursement of public funds, to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer an "Affidavit of Wages Paid" before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor. Each affidavit of wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to said officer.

NEW SECTION. Sec. 2. There is added to chapter 63, Laws of 1945 and to chapter 39.12 RCW a new section to read as follows:

If any agency of the state, or any county, municipality, or political subdivision created by its laws shall wilfully fail to comply with the provisions of RCW 39.12.040 as now or hereafter amended, such agency of the state, or county, municipality, or political subdivision created by its laws, shall be liable to all workmen, laborers, or mechanics to the full extent and for the full amount of wages due, pursuant to the prevailing wage requirements of RCW 39.12.020.

Passed the House January 26, 1976.
Passed the Senate February 13, 1976.
Approved by the Governor February 21, 1976.
Filed in Office of Secretary of State February 21, 1976.

CHAPTER 50

[Substitute House Bill No. 455]

MARINE FUEL TAX - MARINE RECREATION LAND

AN ACT Relating to revenue and taxation; amending section 3, chapter 5, Laws of 1965 as amended by section 1, chapter 74, Laws of 1969 ex. sess. and RCW 43.99.030; repealing section 9, chapter 5, Laws of 1965, section 2, chapter 140, Laws of 1971 ex. sess. and RCW 43.99.090; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE
BOARD OF PUBLIC WORKS
DEPARTMENT

M E M O R A N D U M

June 16, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Specifications for Public Works Projects - Senate Bill 2143 - POLICY BOOK PAGES

Attached is a revised Page 4 of "53(b)"--with special notation at the bottom.

Also attached are new Pages 5 through 11 of "53(b) Continued."

These pages should be included in all Board of Public Works policy books retained by all Board Departments, and will be placed on file with the Board of Public Works procedures in the City Comptroller's Office.

Att to Paw

BLM/jw

Attachments

cc: City Comptroller - C.F. No. 276261
Engineering:
Len Koski

Building:
R. Snyder

Water: W. Rashkov
Lighting: John Hansen
Parks: John Tiemeyer

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
Paw		
aEM	LK	

SEATTLE ENG DEPT
JUN 25 12 40 PM '76

BPW
6/1

May 27, 1976

Honorable Board of Public Works
Seattle, Washington

Gentlemen:

Attached is a list of projects with a one year "Plant Establishment Year," the date the plant establishment period began, the date the plant establishment period ended and the date of satisfactory completion for release of monies.

In the future, you will be notified when each project's one-year plant establishment period has been completed.

Very truly yours,

Sgd Paul A. Wiatrak

PAUL A. WIATRAK, P. E.
City Engineer

DR:dp

Attachment

Information	

Concurrence Prior to Signature	
DR	OK
Dup	
AEM	

BPW
5/20

May 19, 1976

Honorable Board of Public Works
Seattle, Washington

Gentlemen:

Effective this date, Mrs. Dorothy Pearce will be representing the Engineering Department on the Pre-Award Conference meetings.

Mrs. Pearce will be replacing Henry Bock who is retiring.

Very truly yours,

PAUL A. WIATRAK, P. E.
City Engineer

HCB:dp

cc: A. E. Maronek
W. Dolan

Information	
Concurrence Prior to Signature	
DR	
AEM	

BPW

P. Wiatrak

ROUTING	DATE	INITIAL
ACTION		
	✓	
INFORMATION		
Law		
A&M/DR		
WEPS		
	✓May	

Seattle
Board of Public Works

Betty L. McFarlane, Executive Secretary
Wes Uhlman, Mayor

Re: Engrossed House Bill No. 425 May 3, 1976

The Honorable John P. Harris,
Corporation Council
City of Seattle

Dear Mr. Harris:

When we became aware of the subject HB 425 in February of this year, we expressed our objections in writing to the Intergovernmental Relations Division of OPP. These concerns had no effect on the passage of the bill and it is now law.

The law places a responsibility on "the official charged with the disbursement of public funds to require the contractor and each and every subcontractor to submit to such officer an "Affidavit of Wages Paid" before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor". This law also places the responsibility on the municipality and holds it liable to all workmen, laborers or mechanics to the full extent and for the full amount of wages due if the affidavit is not provided. We request an interpretation of the Bill so we may know the specific responsibilities of the various City agencies involved in public works and the distribution of contract funds.

The five Board Departments, the City Comptroller and the Board of Public Works are involved in the distribution of funds for public works contracts. We read the Bill to say that the City Comptroller is the responsible agent, but we desire clarification from the Law Department indicating what our responsibilities are.

We are attaching a copy of the law for your convenience. Please note that the law is effective on June 25, 1976.

Respectfully,

orig: Legis

BOARD OF PUBLIC WORKS

Betty L. McFarlane

Betty L. McFarlane
Executive Secretary

SEATTLE ENG. DEPT
MAY 7 8 34 AM '76

BLM:jt
Attachment
cc: City Comptroller
Board of Public Works
Members

JAN 26
SECRETARY
BOARD OF PUBLIC WORKS

ENGROSSED HOUSE BILL NO. 425

State of Washington
44th Legislature
2nd Extraordinary Session

by Representatives Perry and Gallagher

Read first time February 3, 1975 and referred to Committee on Labor.

1 AN ACT Relating to public works contracts; amending section 4,
2 chapter 63, Laws of 1945 as amended by section 3, chapter 133,
3 Laws of 1965 ex. sess. and RCW 39.12.040; adding a new section
4 to chapter 63, Laws of 1945 and to chapter 39.12 RCW; and
5 providing penalties.
6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
7 Section 1. Section 4, chapter 63, Laws of 1945 as amended by
8 section 3, chapter 133, Laws of 1965 ex. sess. and RCW 39.12.040 are
9 each amended to read as follows:
10 Before payment is made by or on behalf of the state, or any
11 county, municipality, or political subdivision created by its laws,
12 of any sum or sums due on account of a public works contract ((for a
13 public improvement)), it shall be the duty of the ((state treasurer,
14 or of the treasurer of the county or municipal corporation, or
15 other)) officer or person charged with the custody and disbursement
16 of ((the state or corporate)) public funds((, applicable to the
17 contract under and pursuant to which payment is made,)) to require
18 the contractor and each and every subcontractor from the contractor
19 or a subcontractor((,)) to ((file a statement in writing)) submit to
20 such officer ((and to the director of the department of labor and
21 industries, certifying the rate of hourly wage paid each
22 classification of laborers, workmen or mechanics employed by him upon
23 such work, and further certifying that no laborer, workman or
24 mechanic employed by him upon such public work has been paid less
25 than the prevailing rate of wage or less than the minimum rate of
26 wage specified in the contract, which certificate and statement so to
27 be filed shall be verified by the oath of the contractor or
28 subcontractor, as the case may be, that he has read such a statement
29 and certificate subscribed by him and knows the contents thereof, and
30 that the same is true to his knowledge. PROVIDED, HOWEVER, That

before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a contract for a public improvement, the director of the department of labor and industries shall issue a statement certifying that the prevailing wage requirements of this (section have been satisfied)) a "Statement of Intent to Pay Prevailing Wages". Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the department of labor and industries before it is submitted to said officer. Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the officer charged with the disbursement of public funds, to require the contractor, and each and every subcontractor from the contractor or a subcontractor to submit to such officer an "Affidavit of Wages Paid" before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor. Each affidavit of wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to said officer.

NEW SECTION. Sec. 2. There is added to chapter 63, Laws of 1945 and to chapter 39.12 RCW a new section to read as follows:

If any agency of the state, or any county, municipality, or political subdivision created by its laws shall wilfully fail to comply with the provisions of RCW 39.12.040 as now or hereafter amended, such agency of the state, or county, municipality, or political subdivision created by its laws, shall be liable to all workmen, laborers, or mechanics to the full extent and for the full amount of wages due, pursuant to the prevailing wage requirements of RCW 39.12.020.

BPW

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
~~PAW~~		
QEM	LK	
FHE		

April 30, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane

Re: Plan Centers

As per Board direction, advertisements concerning public works projects of the City of Seattle published in the Daily Journal of Commerce stipulate that plans and specifications are available at the following plan centers: Associated General Contractors' Seattle Northwest Chapter, The Plan Bureau, Northwest Plan Center and Central Contractors Association. Your departments are responsible to see that each of these agencies receive the plans and specifications for all advertised projects. If you are following this requirement, please disregard this reminder.

The addresses of these agencies are as follows:

Associated General Contractors
1200 Westlake Avenue North
Room 301
Seattle 98109

The Plan Bureau
824 - 5th Avenue North
Seattle 98109

Northwest Plan Center
P. O. Box 9271
Queen Anne Station
Seattle 98101

Central Contractors Association
2022 East Union Street
Seattle 98122

EJH:jt

SEATTLE ENG DEPT
APR 27 8 27 AM '76

BPW

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE
BOARD OF PUBLIC WORKS
DEPARTMENT

M E M O R A N D U M

April 30, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Plan Centers

The memorandum of April 30 did not list the Associated General Contractors, Tacoma Chapter. Please include this agency among those agencies where plans and specifications are to be made available.

Associated General Contractors
Tacoma Chapter
P.O. Box 11105
Tacoma, Washington 98411

EJH:jk

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
Per ~~BPW~~		
WEM/LK		

SEATTLE ENG DEPT
MAY 3 8 30 AM '76

BPW

Seattle City Council

Sam Smith
President of the Council
583-2367

George E. Benson
Chairman
Transportation
Committee
583-2357

Tim Hill
Chairman
Finance Committee
583-2356

Paul Kraabel
Chairman
Planning & Urban
Development Committee
583-2364

Phyllis Lamphere
Chairman
Intergovernmental
Relations Committee
583-2355

Wayne D. Larkin
Chairman
Utilities Committee
583-2358

John R. Miller
Chairman
Parks & Public
Grounds Committee
583-2365

Randy Revelle
Chairman
Public Safety &
Health Committee
583-2359

Jeanette Williams
Chairman
Human Resources &
Judiciary Committee
583-2366

April 28, 1976

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
WEPS/EMW/REB		

SEATTLE ENG DEPT
APR 30 8 22 AM '76

Mr. Richard C. Redman
Director of Marketing
Sellen Construction Company, Inc.
228 Ninth Avenue North
Seattle, Washington 98109

Re: Construction Management

Dear Rick:

Enclosed for your information are copies of the following responses to my March 8, 1976, letter to you, which I circulated to a number of City departments:

(1) A March 15, 1976, letter from Robert L. Hanson, Chief, Seattle Police Department;

(2) A March 16, 1976, letter from Frank R. Hanson, Chief, Seattle Fire Department;

(3) A March 17, 1976, letter from Gary Bloomquist, Director, General Services Department,

(4) A March 17, 1976, letter from Paul S. Schell, Director, Department of Community Development;

(5) A March 18, 1976, letter from Gordon F. Crandall, Assistant Corporation Counsel, including an August 16, 1974 legal opinion on a proposed "design and construct contract" for the West Seattle Freeway;

(6) An undated memorandum from Kenneth M. Lowthian, Superintendent of Water;

(7) A March 23, 1976, letter from David L. Towne, Superintendent, Seattle Parks and Recreation Department;

(8) A March 23, 1976, letter from Gordon Vickery, Superintendent, Seattle City Light;

(9) A March 23, 1976, letter from Alfred Petty, Superintendent of Buildings;

(10) A March 24, 1976, letter from George R. Rolfe, Executive Director, Pike Place Market Preservation and Development Authority;

(11) A March 24, 1976, memorandum from Marta Metcalf, Administrative Assistant to Councilman Revelle;

(12) A March 29, 1976, letter from Paul A. Wiatrak, City Engineer, and Chairman, Board of Public Works;

(13) A March 29, 1976, letter from Allan T. Wyemura, Research and Development Coordinator, Seattle Center;

(14) A March 31, 1976, letter from John W. Fearey, Director, Seattle Center;

(15) An April 12, 1976, letter from Walter R. Hundley, Director, Office of Management and Budget;

(16) An April 20, 1976, letter from Lawson A. Elliott, Executive Director, Historic Preservation and Development Authority; and

(17) An April 27, 1976, memorandum from Mike Venable, Manager, Policy Management Division, Office of Policy Planning.

While the foregoing letters reflect a variety of views on construction management, according to the Law Department's March 18, 1976 letter, construction management procedures do not appear to be legal under existing City and State law. However, these procedures may be promising with respect to special organizations such as the Pike Place Market Preservation and Development Authority.

If you have any questions on the enclosed materials or you wish to pursue your construction management proposals, please feel free to contact me or Marta Metcalf, my Administrative Assistant, at 625-2445.

Very truly yours,

Randy Revelle

RANDY REVELLE
Seattle City Councilman

RR:mm:vc

Enclosures

cc: Mayor Wes Uhlman
Members, Seattle City Council

Seattle Police Department

Robert L. Hanson, Chief of Police
Wes Uhlman, Mayor

RECEIVED
MAR 24 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

March 15, 1976

The Honorable Randy Revelle
Seattle City Councilman
Seattle Municipal Building
Seattle, Washington 98104

Dear Councilman Revelle:

While the construction business is considerably outside our expertise, we can comment on our experience with two building projects.

At this time, the Building Department has the responsibilities outlined in this suggestion. It is obvious to us that they are not sufficiently staffed to carry out the function in a timely manner. Since the people carrying out this function are basically architects, as opposed to experienced construction managers, legitimate questions can be raised as to how well the function is currently performed.

All in all, we believe the suggestion has merit and is worthy of very serious consideration.

Very truly yours,

R. L. HANSON
Chief of Police

RLH:CRC:hdw

John Harris, Corporation Counsel
Gary Bloomquist, Director, General Services Department
Jack Fearey, Director, Seattle Center Department
Frank Hanson, Chief, Fire Department
Robert L. Hanson, Chief, Seattle Police Department
Walter Hundley, Director, Office of Management and Budget
Ken Lowthian, Superintendent, Water Department
Al Petty, Superintendent, Building Department
Paul Schell, Director, Department of Community Development
David Towne, Superintendent, Parks and Recreation Department
Paul Wiatrak, City Engineer
Woody Wilkinson, Director, Office of Policy Planning
Gordon Vickery, Superintendent, Department of Lighting
Betty McFarlane, Secretary, Board of Public Works
Lawson Elliott, Executive Director, Historic Seattle Preservation and Development Authority
George Rolfe, Executive Director, Pike Place Market Preservation and Development Authority

Your
Seattle
Fire Department

Frank R. Hanson, Chief
Wes Uhlman, Mayor

March 16, 1976

RECEIVED
MAR 1 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

The Honorable Randy Revelle
City Council
City of Seattle

Dear Councilman Revelle:

The Fire Department's general construction experience has been limited to the fire stations funded by Forward Thrust.

We have successfully used the competitive bid process and the City's review guidelines utilizing the Design Commission and Board of Public Works. While the method may seem cumbersome at times, I believe it has helped Seattle avoid many of the political influence ramifications which are prevalent within the east coast municipalities.

During the present bid process it is entirely possible for alternate options to be presented which would be advantageous to both the city and bidder if equivalent but less costly methods were available.

The construction management system appears attractive as described and may have application within the municipal structure. However, a valid recommendation would be difficult to make based on the material forwarded and our lack of expertise in the general construction field.

Very truly yours,

Frank R. Hanson

Frank R. Hanson, Chief
Seattle Fire Department

FRH:RKZ:pt

City of Seattle—Fire Department, 301 Second Avenue South, Seattle, Washington 98104, (206) 583-6836

Your
Seattle
Department of General Services

Gary J. Bloomquist, Director
Wes Uhlman, Mayor

March 17, 1976

RECEIVED
MAR 18 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

Honorable Randy Revelle
Seattle City Council

VIA Mayor Wes Uhlman's Office

Dear Councilman Revelle:

Thank you for providing the General Services Department an opportunity to comment on City policies pertaining to construction contracts.

Although I am certainly willing to provide comment, I'm afraid any recommendations of mine would be of little value. This Department neither owns or manages any City structures. We merely lease space from either the Building Department or from a utility and are billed on a square foot basis for the value of the space plus the value of improvements, maintenance and other costs. If the owning agency or department is planning improvements or modifications to any space, or if we require same, plans are reviewed by General Services and an agreement reached. The owner of the space is then responsible for obtaining the contract for improvement.

I hope this response is of some help.

Sincerely,

GARY BLOOMQUIST, Director
General Services Department

GB:ms

City of Seattle—Department of General Services, 510 Arctic Building, 704 Third Avenue, Seattle, Washington 98104, (206) 583-2180

Your
Seattle
Community Development

Paul E. S. Schell, Director
Wes Uhlman, Mayor

March 17, 1976

RECEIVED
1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

The Honorable Randy Revelle
Seattle City Council
1106 Seattle Municipal Building

Dear Councilman Revelle:

Subject: February 23, 1976 letter from Richard C. Redman re construction management revisions

I received your correspondence with Mr. Richard Redman with some interest since the Department and the Pike Place PDA have recently been exploring the possibility of using a construction management approach for the rehabilitation of the Main Market in the Pike Place Project. Our analysis in connection with the Market indicates that a construction management approach can accelerate the design, bidding and construction process (which in turn saves inflation costs), and can keep the project within budget more surely than a bid process. The PDA, with HUD and our concurrence, is about to implement this approach in the first phases of Main Market restoration. Once that work is completed, we will be in a far better position to determine whether the potential advantages of the construction management approach will be realized. However, its current widespread use in private construction projects suggests that it has substantial merit.

As to the legality of the proposal under current federal, state, and local laws, I would suggest that the most critical factor is the requirement for open and competitive bidding. If the construction manager is selected through a competitive process, perhaps similar to the consultant selection process currently employed by many City departments, and sub-contracts for portions of the construction are awarded on the basis of competitive bids, it would seem to me that the competitive bidding requirements would have been met as thoroughly as if the entire project had been competitively bid after the design was complete.

The many recent examples of bids for public projects substantially over estimated budgets indicate that our current

design and contracting procedures do not permit effective cost control. I, therefore, believe that an examination of the problem to determine whether a more cost-effective method can be found would be in the public interest.

Very truly yours,

Paul Schell

Paul E.S. Schell
Director

PESS:th

ASSISTANT CORPORATION COUNSEL

JAMES M. TAYLOR
GORDON F. CRANDALL
G. GRANT WILCOX
THOMAS J. WETZEL
ARTHUR T. LANE
CHARLES R. NELSON
LAWRENCE K. MCDONELL
J. ROGER NOWELL
JORGEN G. BADER
E. NEAL KING
JAMES B. HOWE, JR.
DONALD H. STOUT
MYRON L. CORNELIUS
PHILIP M. KING
RICHARD E. MANN
RICHARD S. OETTINGER
JAMES G. BLAIR
W. FREDERICK GREENLEE
WALTER L. WILLIAMS
ELIZABETH A. HUNEKE
CHARLES D. BROWN
DONA M. CLOUD

THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING • SEATTLE, WASHINGTON 98104
AREA CODE 206 TELEPHONE 583-2304

JOHN P. HARRIS, CORPORATION COUNSEL

CITY PROSECUTORS
ROBERT H. ELIAS
JACK B. REGAN
ROBERT B. JOHNSON
JOSEPH T. SCHLOSSER
ROSS A. RADLEY

CLAIMS MANAGER
V. L. PORTER

March 18, 1976

RECEIVED
MAR 19 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

Re: Construction Management

Honorable Randy Revelle
City Council
City of Seattle

Dear Sir:

By City Council Transmittal dated March 10, 1976 you transmit a copy of a letter to you from Richard C. Redman, Director of Marketing, Sellen Construction Company dated February 23, 1976 in which Mr. Redman urges consideration of a "Construction Management" system in construction of public works. As defined in a booklet attached to Mr. Redman's letter, construction management

> " ... treats the project planning, design and construction phases as integrated tasks within a construction system. These tasks are assigned to a Construction Team consisting of the Owner, the Construction Manager and the Architect-Engineer. Members of the Construction Team ideally work together from project inception to project completion, with the common objective of best serving the Owner's interests. Interactions between construction cost, quality and completion schedule are carefully examined by the Team so that a project of maximum value to the Owner is realized in the most economic time frame."

and the construction manager is selected prior to preparation of plans to --

> " ... work with the Owner and the Architect-Engineer from the beginning of design through construction completion."

You ask that we review the proposal and make recommendations thereon, particularly whether the same is legal under current law, and if not, what changes could be made to make the proposal legal.

Honorable Randy Revelle
Page Two
March 18, 1976

Transmitted herewith is a copy of our opinion to the City Engineer dated August 16, 1974 (No. 5930-A) in which we advised that a proposed "design and construct contract" for the West Seattle Freeway Bridge would violate Article VII, Section 15 of the City Charter requiring competitive bidding on contracts for public works. The reasoning of that opinion is also applicable to the proposed construction management system, which in our opinion would conflict with the competitive bidding requirements of the City Charter. To allow construction management whereby the construction contractor is selected prior to preparation of plans would require repeal of Chapter 56, Laws of 1975 (1st Ex. Sess.) which requires competitive bidding on contracts in excess of $10,000 ($15,000 for watermains), together with appropriate amendments to the provisions of Article VII relating to competitive bidding.

For your information we also transmit herewith another opinion to the City Engineer, dated January 15, 1976, in which we advised that a public works contract specification which would provide for consideration of a contractor's suggested changes in design or construction methods and for a sharing of the cost savings with the contractor would be lawful so long as the changes did not "so radically change a public works project as to constitute a new undertaking ... ," and we are informed that such provision is now being considered by the City Engineer for inclusion in the Standard Plans and Specifications.

Very truly yours,

JOHN P. HARRIS
Corporation Counsel

By Gordon F. Crandall
GORDON F. CRANDALL
Assistant

GFC:rl
Encs.

5930-4
(Ord. 102985)

August 16, 1974

Re: West Seattle Freeway - Use of funds appropriated by referred Ordinance 102766

Mr. Paul A. Wiatrak
City Engineer
The City of Seattle

Dear Sir:

By letter dated August 7, 1974, you state that Ordinance 102766 which appropriated $32,709,500 and authorized right of way acquisition, completion of plans, estimates and specifications and construction of the West Seattle Freeway Bridge, was referred to a vote of the people and approved by them on March 26, 1974, and that the bids for construction thereafter received were "substantially in excess of the moneys available for construction", "making it impossible to construct that structure." You then state that some design modification must be made in order to produce a facility to serve the need within the moneys available.

In light of the foregoing, you state that you are now contemplating requesting the Board of Public Works to call for bids on a combined "design and construct contract" using the funds appropriated by the referred ordinance. You further state that under such proposal a successful bidder

> ". . . would be required to produce a Phase I structure essentially the same as that contemplated by the original West Seattle Freeway design report and environmental impact statement. It would follow the same alignment both horizontally and vertically, would contain the same number of lanes as originally contemplated for Phase I,

> would be constructed as a oneway eastbound bridge, have the same connection points as originally planned and would serve the same traffic demands."

You also state that "the designer would be allowed to make modifications to the planned structure such as: a change in materials, possibly from steel to concrete, modification or elimination of the tower pier and changes to the cable-stayed design" and "changes to footing and column sizes and locations."

With the foregoing as background information, you then request our opinion as to whether the City Engineer may use the funds appropriated by the referred ordinance (Ordinance 102766) to pay for the redesign and construction of Phase I of the West Seattle Freeway "through a combined design-construct contract to be awarded as one package by the Board of Public Works."

The first issue presented by your request is whether the redesign and construction of the West Seattle Freeway Bridge (Phase I) can be validly implemented "through a combined design-construct contract to be awarded as one package by the Board of Public Works." Proposed Resolution 24657 in referring to this proposal requests the Board of Public Works and the City Engineer "to acquire a 'Turnkey' contractor to redesign and construct an acceptable Phase I facility."

Under the proposal you have described each prospective bidder would be required to include both the design and construction of the bridge in his bid. He would be required to design a bridge of the size and dimensions and in the location specified by the City, and to specify the materials to be used in implementing that particular design. In effect, each prospective bidder would prepare his own plans and specifications for the bridge he would propose to construct for the amount of his bid.

Article VII, Section 6 of the City Charter provides that it shall be the duty of the City Engineer to make plans and specifications for the construction of all public works undertaken by the City, and Article VII, Section 15, provides in pertinent part as follows:

> "All public improvements to be made by contract shall be let to the lowest bidder. Before awarding any such contract the Board of Public Works shall publish a call in the official newspaper of the city for at least five consecutive days, inviting sealed bids for such improvement. <u>A copy of the plans and specifications shall at</u>

> the time of the first publication of such call be on file in the office of the secretary of the board, open to public inspection."

The word "plans" means a profile, drawing, chart or picture showing in a general way the nature of the work to be done; the word "specifications" means a detailed statement of the character of the improvements which are to be done. McQuillin, Municipal Corpprations, § 37.68. It is apparent, therefore, that the contemplated procedure would be in direct conflict with this Charter provision which requires plans and specifications to be on file and open for public inspection before publication of the notice calling for bids.

Our State Supreme Court in the case of Goshert v. Seattle, 57 Wash. 645, in construing a substantially similar provision in a previous charter said that:

> "The purpose of the charter provision is to prevent favoritism, extravagance, and fraud by furnishing specifications so full and complete as to afford an intelligent basis for competing bidders to act upon."

The Court in the Goshert case held that the City's attempt to abrogate detailed specifications violated the Charter and invalidated all subsequent proceedings, observing that:

> "This view will enable the city to so frame its specifications as to offer full opportunity for competitive bidding."

Further, it is uniformly held that where there is a constitutional, statutory, or charter requirement for competitive bidding for the construction of public improvements, the plans and specifications for that improvement, i.e. the decision as to the design and materials to be utilized, cannot be left to the discretion of prospective bidders, for the following reason:

> "In order that unrestricted competition may be had, it is necessary that some standard be adopted for the guidance of all bidders. Where, therefore, the plans and specifications are left to the discretion of the

> individual bidder and submitted with his bid, the effect is to stifle competition and is a violation of the requirement to let the contract to the lowest bidder."

McQuillin, Municipal Corporations, §§ 29.56, 37.68, Accord: 64 Am.Jur. 2d, Public Works and Contracts, § 51; 63 C.J.S., Municipal Corporations, § 1149(b). Simply put, there can be no competition where those supposedly competing are not bidding on the same thing, and the subject of the contract will assume as many forms as the competitors have conceptions.

Accordingly, it is our opinion that the proposal to require prospective bidders for construction of the West Seattle Freeway Bridge to base their respective bids on a bridge design prepared by each of them, would violate the requirement of the Seattle Charter (Article VII, Section 15) that plans and specifications for a proposed public improvement be on file with the Board of Public Works and open to public inspection at the time the call for bids is advertised, and further that the proposal would effectively circumvent the Charter requirement that

> "All public improvements to be made by contract shall be let to the lowest bidder."

We recommend that plans and specifications based on the modified design which is expected to produce bids for construction of the West Seattle Freeway Bridge within available funding be made available through the Board of Public Works to all prospective bidders on this project in accordance with the Charter provisions quoted above so that they can prepare bids and compete for the construction contract on the basis of the same design.

With regard to your question as to whether funds appropriated by Ordinance 102766 may be used for the construction of a redesigned West Seattle Freeway Bridge, we advise that said Ordinance 102766, referred to and ratified by the voters, stated in Section 1 that -

> ". . . in accordance with the findings of the City Council the Committee of the Whole . . . adopted pursuant to Ordinance 102374, the City Engineer is authorized to complete plans, cost estimates, and

> specifications; to employ consultants and such other experts as may in the discretion of the City Engineer be required; to negotiate for and acquire on behalf of the City the necessary right of way; and thereafter proceed under the direction of the Board of Public Works with the construction of the West Seattle Freeway Phase I, . . ."

and "for such purpose" the sum of $32,709,500 was appropriated.

By its findings (C.F. 276234) adopted by Ordinance 102374, the City Council determined that the design concept adopted by Resolution 23584, following the Design Hearing for the West Seattle Freeway, Phase I, held on February 25 and April 22, 1972, constitutes the most desirable plan for the West Seattle Freeway Bridge. The exhibits contained in C.F. 276234 include a photograph of a model of the proposed cable-stayed design for the bridge and a plan for that design (Exhibits 5 and 6). Resolution 23584 provides that Phase I of the West Seattle Freeway project is:

> "a four-lane, one-way, high-level, cable-stayed girder bridge over the West Waterway"

and that

> "the City Engineer is authorized to prepare contract plans . . . to implement the concept and design approved hereby".

The findings adopted by said Resolution 23584 stated in Article IV thereof that -

> "[b]ased on the recommendation of the Seattle Design Commission, the Bridge Design is to be a cable-stayed girder bridge featuring a tower and cable lines . . ."

It is apparent from the language of the referred ordinance (Ordinance 102766) that the City Council clearly and expressly intended that the appropriation made by said ordinance be used for the purpose of constructing the facility in accordance with a particular design, i.e.

a cable-stayed girder bridge featuring a tower and cable lines. Furthermore, it is a rule of law that expenditures for a public improvement will be limited to the express terms for which the appropriation was made, and if the terms of the ordinance do not permit the changes contemplated they cannot be made (Hayes v. Seattle, 120 Wash. 372, 375; McQuillin, Municipal Corporations, § 20.49), at least insofar as such changes are more than a modification of minor details. Id; see also George v. Anacortes, 147 Wash. 242, 244.

We conclude that Ordinance 102766 appropriates funds to plan and construct the West Seattle Freeway Bridge in accordance with the specific design concept, i.e. a cable-stayed girder bridge featuring a tower and cable lines, which had been previously approved and adopted by the City Council as indicated herein and in our opinion the funds so appropriated may not validly be expended to plan and construct a bridge based on some other design concept without amendment of said Ordinance 102766, and you are so advised.

Article IV, Section 1-N of the City Charter provides that:

> "No ordinance . . . initiated or referred and approved shall be amended or repealed by the City Council within a period of two (2) years following such approval.",

and therefore the City Council may not itself amend referred Ordinance 102766 which was approved by the voters at the election held March 26, 1974, to use the funds in question for a design different from that for which the funds were appropriated, for a period of two years from the vote upon said referendum. The applicable rule of law in this regard is that a referred ordinance may be amended, altered or repealed by no less authority than that which called the same in to being. State ex rel. Auburn v. Seattle, 190 Wash. 222. Accordingly, we further advise that in our opinion such amendment of Ordinance 102766 may be effected by submission to and approval by the voters of an ordinance amending Ordinance 102766 to provide for such redesign and construction based thereupon.

While we appreciate the view that in passing on Ordinance 102766 at the March 26 election many of the voters may have voted to approve or disapprove the construction of the West Seattle Freeway Bridge without particular regard to the design of that facility, we also note that

the specific bridge design authorized by Ordinance 102766 was prominently displayed and extensively discussed by the news media as well as the proponents and opponents of said Ordinance 102766 in the vigorous campaign that preceded its approval by the voters.

We also advise that letting of contracts for construction of a redesigned facility without an addendum to or supplement of the City's Environmental Impact Statement on the project could potentially be a violation of the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA) and we therefore recommend that issuance of such addendum or supplement be considered in connection with said redesign and construction.

Our response to your inquiry of August 13, 1974 concerning use of unprogrammed and uncommitted 1968 Forward Thrust bond funds for the redesign and construction of the West Seattle Freeway Bridge will be forthcoming shortly.

Yours very truly,

JOHN P. HARRIS
Corporation Counsel

By

DONALD H. STOUT
Assistant

DHS-JPH:w

January 15, 1976

Re: Value Engineering

Mr. Paul A. Wiatrak, P.E.
City Engineer
The City of Seattle

Dear Sir:

By letter dated May 2, 1975 you transmit a copy of a proposed addition to City public works contract specifications entitled "Value Engineering Cost Reduction Incentive", which would provide for consideration of a contractor's suggested changes in design or construction methods, and which, if accepted, would result in sharing of the cost savings with the contractor. You ask whether the provision may lawfully be included in the City's public works contract specifications.

Under such proposal, a contractor, after having been awarded a contract, may make a suggestion for modifying plans, specifications or other requirements of the contract, which suggestion would be submitted in writing to the City Engineer and contain a description of the difference between the contractor's proposal and the existing contract requirement and provide an itemized, detailed estimate of the anticipated reduction in contractor's costs. To be considered for implementation, contractor suggestions would have to be within the following limitations:

> ". . . only those proposals will be considered which would not impair essential functions or operating characteristics of the facility being constructed under this contract . . . .

* * *

Seattle Water Department

Kenneth M. Lowthian, Superintendent
Wes Uhlman, Mayor

MEMORANDUM

TO: Randy Revelle
Seattle City Council

FROM: Kenneth M. Lowthian
Superintendent of Water

RE: C.F. # Citizen Letter from
Richard C. Redman

The Water Department's recommendations on the use of construction management techniques by the City as suggested by Richard C. Redman in his letter of February 23, 1976 have been discussed with the Board of Public Works.

We concur in the Board's position in its letter to you dated March 29, 1976.

Kenneth M. Lowthian

KML:fh

cc: Board of Public Works

City of Seattle — Water Department, 1015 Third Avenue, 8th Floor, Seattle, Washington 98104, (206) 583-5889

> "Proposals based solely on reducing contract delivery or completion periods, changing basic engineering designs, or eliminating requirements necessitated by public law will not be considered . . . ."

If accepted, the contract price would be reduced by 50% of the estimated cost reduction, thus sharing the savings equally with the contractor.

In a public works contract a public agency may reserve the right to change or modify certain elements of the project plan or design. McQuillin, Municipal Corporations, §§ 29.64, 29.121, 37.125; 65 Am.Jur.2d Public Works and Contracts §§ 186, 187. However, only such reasonable changes as do not radically change the nature or cost of the contract may be made under such provisions (McHugh v. Tacoma, 75 Wash. 127; McQuillin, Municipal Corporations § 37.125). A municipal corporation may not evade the rule that public improvement contracts must conform substantially to advertised plans and specifications by making radical changes in the contract after it has been awarded. Lassiter & Co. v. Taylor, 128 So.14 (Fla.); Hanna v. Board of Education of Wicomico County, 87 A.2d 846 (Md.); 64 Am.Jur.2d, Public Works and Contracts § 65; Annot., 69 A.L.R. 647. Where radical changes are made readvertisement incorporating the changes is the appropriate procedure. McHugh v. Tacoma, supra; see City Charter Article VII, §§ 6, 15.

In our opinion contractor proposals varying from the design, specifications and construction methods in advertised plans and specifications which do not so radically change a public works project as to constitute a new undertaking may be accepted and implemented pursuant to the procedures described by you.

You propose to compensate the contractor for innovations resulting in project cost reduction in the amount of half the reduction. Another basis of compensation which we suggest for your consideration would be a payment schedule of descending percentages so that very large cost savings would yield a lower percentage return to the contractor.

Yours very truly,

JOHN P. HARRIS
Corporation Counsel

By
DONALD H. STOUT
Assistant

DHS:ph

Your Seattle City Light

Gordon Vickery, Superintendent

RECEIVED

March 23, 1976

Board of Public Works
Seattle, Washington 98104

Attention: Mrs. Betty L. McFarlane, Executive Secretary

Members:

Construction Management

Reference is made to the communication from the Board of Public Works dated March 15, 1976, requesting the Lighting Department's comments on Councilman Randy Revelle's letter of March 8, 1976, soliciting information regarding the subject of Construction Management. Mr. Revelle's letter addressed itself to two areas.

The first area is that of the legal aspects of Construction Management. The Light Department has not investigated this aspect as this is within the purview of the Corporation Counsel's Office. The second area of inquiry made by Mr. Revelle was based on the premise if Construction Management is legal, will proper balance be maintained between the controls necessary to insure honest contracting and an efficient system to make the best use of taxpayers' money?

The Light Department on past major heavy construction projects such as the construction of Boundary Dam has hired consultants to provide the planning, design and construction advice for control of multiple contracts to insure completion of the projects with the least cost within the shortest practical time frame. Contractors for these contracts were engaged through competitive bidding after the design was completed for each contract. These contracts were scheduled to be in progress to insure completion of each phase of construction at the optimum time and also scheduled with contracts prepared by the Light Department which were ancillary to those contracts prepared by the consultant.

The Light Department may be unique within City Departments, in that it has the capabilities of providing most of the functions found in Construction Management. Our Engineering Division is organized with engineers of many disciplines, an architectural staff and a construction engineering staff to provide expertise in the field of construction for the planning, design and construction by contract of our capital improvement projects. The Light Department has employed Construction Management principles and fast-track methods for projects such as major substations and transmission lines both overhead and underground, by preparing multiple contracts where the initial stage contract is in progress while the design of the following stages are being completed and material acquisition is being made.

Your
Seattle
Parks and Recreation

David L. Towne, Superintendent
Wes Uhlman, Mayor

RECEIVED
1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

March 23, 1976

Board of Public Works
City of Seattle

Attn: Mrs. Betty L. McFarlane

Gentlemen:

Re: Proposed Construction Management Revisions

In view of the current City Charter requirements, it does not appear possible to waive the competitive bidding process and negotiate projects as outlined by "Construction Management Guidelines".

Sincerely,

David L. Towne
Superintendent

DLT:jtm

cc: Councilman Randy Revelle

Seattle Department of Parks and Recreation 100 Dexter Avenue North Seattle Washington 98109 (206) 583-5832

Board of Park Commissioners Robert E. Kidd II, Chairman, Herbert M. Tsuchiya, Vice Chairman, Calhoun Dickinson, Mrs. Bernice Moreland, Mrs. June A. Boats, Mrs. V. C. Van Ness, Thomas D. Wenmer.

March 23, 1976

Re: Construction Management

RECEIVED
MAR 31 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

Honorable Board of Public Works
Mrs. Betty McFarlane, Executive Secretary
City of Seattle

Gentlemen:

This is in response to the letters from Sellen Construction Co. and Councilman Randy Revelle dated February 23, 1976 and March 8, 1976, respectively, on this subject.

First, there does not appear to be any way to contract in this manner under our present City Charter, except in an emergency. We explored several possibilities with Don Stout, Assistant Corporation Counsel, recently in an effort to utilize this approach for the Seattle Center Maintenance Levy project.

Secondly, we do feel this is a very good way to design and construct certain projects. It is applicable primarily on large, complex projects where timing is short and critical and where the contractor's experience and knowledge can be helpful in the planning and design phases.

It should be pointed out that the Federal G.S.A. has been using this approach for some time and has reported good success. Many large, private corporations have also contracted in this manner.

As pointed out in the letter from Sellen Construction, in most building construction projects an average of 85% is subcontract work which is still bid competitively. The primary advantage is that the General contractor becomes a member of the owners management team instead of being an adversary.

We suggest it would be worth pursuing a change in the State law or City Charter to allow this approach. Federal law must already be revised to enable G.S.A. to utilize the construction management method.

Very truly yours,

Concurrence Prior to Signature	
RLS	5/25

ALFRED PETTY, P.E.
Superintendent of Buildings

RLS:sv

The Associated General Contractors of America booklet, "Construction Management Guidelines" which accompanied Councilman Revelle's letter pertains primarily to major building construction projects. The booklet advises its members that in establishing guidelines for this contracting method, the AGC does not endorse Construction Management as a substitute for any other successful contracting method. The Association maintains its long-standing position relative to competitive bidding and the single contract system.

Construction Management principles should be considered during planning of a project, and if deemed appropriate, implemented to the degree possible based on present Charter Requirements and Board of Public Works Policies.

Construction of a major project such as High Ross Dam cannot be accomplished with City Light's Engineering Staff, therefore, an engineering consultant, contract administrator, and other expertise as required will be utilized. The contract documents so developed will be used for competitive bidding through present Board of Public Works procedures.

It is our considered opinion that Public Works Contracts must continue to be awarded on a competitive bidding process, and utilization of multiple contracts on a single project a viable option to be considered and implemented as the needs dictate.

Yours truly,

J. P. Recchi

Gordon Vickery
Superintendent

JMH:cs

cc: Councilman Randy Revelle

Pike Place Market
Preservation & Development Authority
1431 First Avenue · Room 12 · Seattle Washington 98101 · phone 206·583·6064

RECEIVED
1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

March 24, 1976

Councilmen Randy Revelle
Seattle City Council
1100 Municipal Building
Seattle, Washington 98104

Dear Councilmen Revelle:

The Pike Place Market Preservation and Development Authority is pleased to respond to the issue of Construction Management services for achieving public development objectives. The nature of our involvment in the rehabilitation of the Pike Place Market and the experience gained to date have given us some insights into problems of public building processes as they apply to the construction and rehabilitation of buildings.

You have requested responses aimed at addressing two questions about whether construction management is an effective alternative to a lump sum public bid for construction services. The first deals with whether the proposals are legal under current Federal, State and local laws.

The PDA has not done any exhaustive legal analysis of this issue. However, a good deal of legal research went into the drafting of our charter which clearly allows such an approach to purchasing construction services. Discussions with the Department of Housing and Urban Development have led to a tentative agreement that two conditions are essential for such an approach to meet Federal competitive bidding requirements.

a.) the selection of the contractor must be open to any firm meeting state requirements
b.) the fee for services (profit and management) must be fixed before selection of a contractor although the sharing of cost savings is appropriate if agreed to prior to selection.

It is our belief that based on these two conditions and our Charter, a construction management approach is legal for the PDA to undertake with a private contractor.

We have one project in which we have utilized this approach exclusively to build HUD sponsored low cost housing. While

the project has not been without problems, there are several aspects which are significant. First, we are delivering completely code compliant housing in a combination of new and rehabilitated buildings for $ and $21,000/unit construction costs, both of which are substantially below current experience in the Section 8 program. Second, the average processing time for an FHA rent supplement project is 29 months and we anticipate closing this project within 23 months of the original application.

On another project we have had success in direct negotiations with the contractor as an input during design revisions. It is a commercial project which was competitively bid according to plans and specifications prepared by an architect. The low bid was more than $300,000 above the budget, and through a series of negotiations involving the low bidder, architect, and owner, we were successful in reducing costs by more than $300,000 without sacrificing either the programatic intent or the economic feasibility of the project. In short we turned an infeasible project into a feasible one which provides valuable needed space in the Public Market.

Your second question requests responses to whether a proper balance between the controls necessary to ensure honest contracting and an efficient system to make best use of taxpayers' money can be maintained. Our experience indicates the answers is yes for those cases in which the PDA has been involved.

By way of background, there are several specific objectives for managing the public building process as it applies to the construction and rehabilitation of buildings. Any construction method must deal with several aspects of concern to the PDA:

1.) Does it result in control over the quality of the final produce that is built in terms of its durability and suitability for intended uses?
2.) Are the costs predictable and affordable - in essence does the construction method allow costs to be controlled accurately and effectively?
3.) Is the timing and sequence of construction decision most effective in terms of overall time objectives and the impact of time on costs?

Perhaps the most attractive aspect of a construction management approach is the degree of control the PDA is able to maintain over the building process. By the time a project is ready for conventional competitive bids, the PDA has already spent approximately 20% of the total project budget. Yet this is the first point at which an accurate cost of construction is known and, if that cost is higher than the amount of money available, the 20% already spent is wasted unless more money can be appropriated or the project can be modified.

With a construction management approach, the contractor can become a member of the design team, making inputs on costs, scheduling and sequencing of work as it is being designed. The owner, architect and contractor can work together to establish a Guaranteed Maximum Price. The architect has a reliable source of cost data as he makes recommendations from among the various alternatives. The PDA can weigh program and design alternatives in light of all criteria including accurate cost and timing impacts. After agreement on the guaranteed maximum price the contractor can exert his best management efforts to complete the construction and if he has an opportunity to share in the savings, he has an incentive to complete it below the guaranteed maximum.

This degree of control has proven extremely advantageous in attempting to finance projects. The PDA estimated equity and other financing requirements for accomplishing the first three rehabilitation projects in the Market more than 18 months ago. The City of Seattle committed $140,000 in CDBG funds as basic working capital for these projects, and by virtue of a construction management approach we will be able to complete the projects including all contingencies within original projections. The banking community has placed heavy emphasis on our ability to control costs and time schedules as a condition for borrowing money. We feel a construction management approach has and will continue to give us the control necessary to meet this objective.

In summary, we believe that a construction management approach is legal for PDA within existing Federal, State, and local laws. Further, it offers substantial benefits in controlling quality, costs, and timing of critical construction and rehabilitation of buildings. We believe these benefits to be of more than sufficient public value to warrant their application to the rehabilitation of the Pike Place Market.

Toward this end we are actively pursuing the use of a modified construction management approach in the Market. If you would find more detailed data or specific proposals useful, we will be more than pleased to supply them. Thank you for the opportunity to respond on this issue.

Respectfully,

George

George R. Rolfe
Executive Director

GR:ct

cc: Paul Schell
Pete Eising
Tim Manring
O. Yale Lewis

THE CITY OF SEATTLE
Engineering Department

MEMORANDUM

RECEIVED
APR 13
OFFICE OF

DATE April 12, 1976

TO Councilman Randy Revelle VIA Mayor Wes Uhlman

FROM Paul A. Wiatrak *Paul A Wiatrak*

SUBJECT Richard C. Redman proposal

It is assumed, based on the circulation of your response to Mr. Redman, that the legal concern would be provided by the Corporation Counsel and suggestions for changing the existing laws to make Mr. Redman's proposal legal would likewise come from Mr. Harris.

I concur in the response, attached, by the Board of Public Works.

REB:ne
Attachment

REVIEWED
Ken Dawson
BUDGET ANALYST

Seattle City Council
Memorandum

RECEIVED
MAR 24 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

Date: March 24, 1976

To: Randy Revelle

From: Marta Metcalf Marta

Subject: Rick Redman/Construction Management

After talking to Gordon Crandall of the Corporation Counsel regarding Paul Schell's response to your memo, I think the following conflict exists.

The City Charter requires the competitive bidding process for City work. The Pike Place PDA is not part of City government and therefore is not bound by the Charter. As a private entity, the PDA can follow a construction management procedure and not run into trouble with the City Charter.

Schell states that he believes the most critical factor is the "requirement for open and competitive bidding," and that the selection of a construction manager through a competitive process fulfills the requirement. Crandall disagrees with this opinion. He will give us a formal opinion of Schell's suggestion if we request it. I have sent him a copy of Schell's letter for his information at this time. Crandall basically says, however, that Schell's procedure for the PDA is not legal for the City of Seattle itself.

CS #20.3

Seattle
Board of Public Works

Betty L. McFarlane, Executive Secretary
Wes Uhlman, Mayor

March 29, 1976

RECEIVED
APR 5 1976
OFFICE OF MANAGEMENT
& BUDGET

Re: Construction Management
Revisions

Via: Mayor Wes Uhlman

Randy Revelle, Chairman
Public Safety and Health Committee
Seattle City Council

Dear Councilman Revelle:

We have reviewed your Transmittal of March 10, submitting a February 23 proposal from Richard C. Redman regarding construction management revisions.

In an attached copy of a letter to Mr. Redman you asked that departments reviewing the subject consider the following:

1) Whether the proposal is legal under federal, state and local laws.

   Reply:
   The City of Seattle Charter, Article VII, Sections 13 and 15, requires that all public improvements to be made by contract shall be let to the lowest bidder; and before awarding any such contract a call for bids shall have been made inviting sealed bids for such improvements and the bids publicly opened and read, or in the Board's discretion any such improvements may be done under management of the Board by day labor.

   State Law, passed September, 1975, requires that all public works improvements over $10,000 be made by contract, or $15,000 as it pertains to watermains. This means almost everything is now done by contract, in light of the present inflation and cost of living levels. This State Law supersedes our City Charter.

2) Assuming his proposals are, or can be, made legal, are they desirable for the City of Seattle? Do they maintain a proper balance between the controls necessary to insure honest contracting and an efficient system to make best use of the taxpayers' money?

   Reply:
   We do not believe the construction management proposal as submitted is desirable for the City of Seattle, due to the fact that contracts would be negotiated with prime contractors. This procedure could open up public works activities to the dangers of illegal practices, kickbacks, favoritism, etc. There are various ways to accomplish

public works projects without deviating from the open-competitive bidding procedures we believe are desirable to maintain. We follow the open-competitive bid laws as required and still, basically, we operate as a construction management team--since the architect or consultant, the owner and the contractor work together on a project. The only difference is that the contractor is not on board from the beginning of the project in the design stages, which in our opinion, would not save either time or money as Mr. Redman has implied. Our departments have the expertise available to work with consultants when planning public works projects. Therefore, we do not believe it is necessary to have both the contractor and the consultant work together. During construction of a project the department involved assures that the contractor carries out the work in accordance with the contract specifications and we save considerable taxpayers' money by awarding to the low bidder who meets the requirements of the specifications.

We can prequalify bidders prior to bid opening to make sure that the City is able to get contractors with experience and expertise to accomplish difficult or "special-type" projects. This has been done when deep tunneling is required under the street and there is considerable danger involved, requiring expert, experienced handling. State Law requires that all electrical and undergrounding bidders be prequalified.

Several projects may be bid on the basis of a single project. It is possible that one prime contractor could be awarded a multiple project contract and he, in turn, would hire subcontractors to assist in accomplishing the entire project. Such a contract would be appropriate perhaps in instances where there is a common link between several projects and it is desirable to have one contractor maintain continuity. All subcontractors must be approved by the Board of Public Works, and we keep files on their past performance and expertise.

As pointed out, the new State Law stipulates that all work will be contracted out over $10,000. This is more stringent than the City Charter, which states that the Board has the discretion to do certain work by day labor if deemed appropriate. Prior to the State Law, the City had this option and felt that it was desirable. It allowed us to do emergency, maintenance and service connection work with our own forces. This was well managed, as only 5% of the work was done by City forces or by day labor and 95% was contracted out. The State Law has increased the project costs to taxpayers, because in order for outside contractors to do the work special requirements, such as liability insurance, bonding and boiler plate are necessary. Extra supervision and inspection is required by the City. In areas of concern for health and safety, work was done with our own forces (such as watermain connections, electrical distribution, etc.). City forces were familiar and responsible for safety and work performance and did not require sophisticated specifications to do the work, since it involved their everyday operations and expertise. Doing work of a maintenance nature with day labor or City forces did not lead to improper practices since hiring was done through union halls and day labor crews were hired and placed on departments' budgets to augment the City's emergency crews whenever necessary. Contracts were not involved. We were opposed to Senate Bill 2143 when it was introduced and are opposed to the

Law which was passed in connection, therewith. We are documenting these increased project costs to show that the taxpayer is "hurting" from the requirement that all work be contracted out. The Associated General Contractors, who put out the booklet on "Construction Management Guidelines," supported and lobbied for the new State Law requiring open-competitive bidding on everything over $10,000, so we cannot believe that they would endorse negotiated contracts for public works projects.

If there is any change contemplated in our bidding laws, it should be in the State Law, which we believe is too restrictive. We plan to work for an amendment to the Law in the near future. We should be able to do certain work in-house. However, on contracting for public works projects, we believe strongly in the open-competitive bidding process. The City Charter provides latitude and maintains proper control as it is written.

In our judgment, the general management-negotiated contract system would not be in the best interest of contractors or the public, for the reasons provided above. There has been no scandal in public works bidding activities in the City of Seattle, and we feel it is because of the open-competitive bidding procedures, adherence to the laws, and award to the low bidder who meets the requirements of the specifications.

Respectfully submitted,

BOARD OF PUBLIC WORKS

Paul A. Wiatrak

Paul A. Wiatrak
Chairman

BLM:mn

cc: Mayor Wes Uhlman
Office of Management and Budget (3)
All Board of Public Works Members

Your Seattle Center

RECEIVED
MAR 29 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

John W. Fearey, Director

March 29, 1976

Wes Uhlman, Mayor

MEMORANDUM

TO: Randy Revelle, Seattle City Council

FROM: Allan T. Wyemura, Research & Development Coordinator

SUBJECT: Construction Management

Thank you for the opportunity to respond to Mr. Richard Redman's recent letter regarding his thoughts on construction management for the City of Seattle. As you are well aware, Seattle Center is heavily involved at this time with a major rehabilitation and maintenance program made possible through passage of the special levy. I feel that we are fortunate in having two people on staff at this time who will enable us to adequately manage the construction process here at the Center. The overall levy project manager is Ms. Lynn Lindsay, who has had considerable experience here at the Center through past E.D.A. projects. We also feel very fortunate in having Mr. Ray Kerrick as our Senior Technical Advisor. Mr. Kerrick formerly was the head of the Facilities Design Section at the University of Washington, and under that role became very involved in much of the major building projects at the University over the past fifteen years.

At this time we have been discussing the possible use of a construction management consulting team to supplement our own project staff in dealing with the three major architectural/engineering firms involved with the levy projects, as well as the two major construction contracts we envision for actual work.

After reviewing Mr. Redman's letter, I can only agree with many of his thoughts regarding construction management in City projects, and even extending into private projects as well. Generally speaking, I believe that the clients in many projects are relatively unversed in both design and construction terminology, and are really at a disadvantage in dealing with architectural/engineering and construction firms.

It occurs to me that the role of the construction manager really is to protect the interests of the client and to coordinate the architectural/engineering work to ensure that schedules are met, that purchases necessary for construction are done in a timely fashion and that the contractor when chosen, performs to the contract as stipulated.

305 Harrison Street • Seattle, Washington 98109 • (206) 583-2900

The traditional role of the construction manager I think has fallen, in historic times at least, to the architect himself. The concept of the master architect who oversaw design as well as construction in ancient times, has been somewhat abbreviated in this day and age, and in some senses has been taken over by major construction firms who are maintaining their own staffs of specialized construction type managers. The bulk of the construction trade management appears to spring from past construction supervisors associated with major projects who have built up a great amount of experience over the years. There are inherent conflicts arising when the construction management falls within an architectural/engineering consortium, as well as when it falls in the general contractors realm. Historic arguments against the architect by segments of the construction trade have always evolved around their concern for the aesthetic quality, rather than the buildable quality of a building. On the other hand, the architect has always criticized the builders for building in a different manner than what the architect had envisioned. It seems to me that the truth lies somewhere in the middle in that the architect must design, not only buildings which are pleasing to the eye, but which are buildable from a standpoint of the people who are putting them together. A general contractor on the other hand, must feel he has enough confidence in the ability of the architectural firm involved to really undertake the construction of any building in an efficient, timely and expeditious manner. It appears to me that the role of the construction manager is really to provide the overall coordination to be sure that the entire project from conception through construction is carried on in a manner which is efficient as well as economical.

There seems to be some ambiguity involving the term "construction management" and what that means in terms of the City's viewpoint. Perhaps there are more than one level of management involved here as far as the City is concerned. The project managers, as the City has defined them, are primarily responsible for developing and planning the initial stages of a major project. The scale of most of the projects in which the City may get involved in the foreseeable future, will probably be very small in comparison to the type of projects where large construction management organizations are concerned. It seems important to me that the City then maintain a very solid project management staff within each of the various departments which will enable them to not only deal with architects and engineers, but general contractors as well, in ensuring projects are done in accordance with the City's requirements. I am not inferring that the City's project management staff should take on the entire role of a construction management team, although I think we must assess the point where we use project management at the staff level, as compared to bringing in a highly specialized construction management group to undertake a particular project. That point may very well depend upon the actual scale of the project involved since many of the major construction management consulting firms are under the auspices of large construction firms such as Howard S. Wright, or Turner Construction.

In response to Mr. Redman's specific points, I believe that it is possible for the City to arrive at some systematic means of involving at least the general expertise of a general contractor, along with the architectural and engineering expertise at the very early stages of any given project. Then hopefully, the City project staff will be able to provide the expertise to allow for proper coordination and management of those City projects. There does not seem to be any question that the bulk of the management work must be done during the front end of any given project development where initial cost savings can be accomplished, and future ones avoided.

Several weeks ago there was a construction management conference in San Francisco. Although I was not in attendance, I understand that there was a presentation given by the General Services Administration during which they gave a breakdown, on a percentage basis, of the problems they encountered during their construction process. According to the General Services Administration, 10% of the problems encountered in any given construction project, evolve during the actual construction phase, and that a majority of that 10% really was made up of labor related problems. An additional 15% of the problems encountered dealt with those factors which they had no reasonable control over. The remaining 75% of the problems encountered dealt with the front end of any given project, i.e. design, specifications, selection of preliminary building systems, purchasing, etc. It is fairly evident from these figures that the bulk of management really needs to be done at that front end to eliminate recurring problems which seem to get compounded as the project moves towards completion.

It appears to me that the best way to maintain cost and scheduling control over any given project is to be on top of the project from its beginning. For your information there are several resources available in the Seattle area which you may be able to contact to get more information regarding construction management. The Center has had contact with a construction management consulting firm located in Bellevue, and they may be able to help augment some of the information in more detail than I am able to provide. The name of that firm is Gilles Rivet Associates, Inc., Post Office Box 3525, Bellevue, Washington 98004. In addition, Mr. Bruce Lorig of Northwest American, Inc., may be able to provide you with additional information. Mr. Lorig is located in the 1411 4th Avenue Building in Room 1512 and his telephone number is MA 4-7660. In addition to these two private consultants, the General Services Administration has recently published a Construction Management Control System (C.M.C.S.). GSA is making this system available for general public use and it consists of a users manual and a computer program on magnetic tape. The local offices of the GSA in Seattle may be able to provide additional information as to the exact content of the program.

My recommendation at this point is that there is sufficient value in pursuing the construction management subject and that we would be happy to provide what information we could in that investigation.

In reference to Mr. Redman's suggestions, I generally feel that it would be better from the City's standpoint to work with a specialized consulting construction management firm, as opposed to one which is connected with either an Architectural/Engineering firm, or a general construction firm. Also, consideration must be given to the scale of the project envisioned and its application to construction management consultants.

If we may be of further assistance to you in this matter, please do not hesitate to contact us. The best source of information within the Center staff would be either Mr. Ray Kerrick or Ms. Lynn Lindsay.

Whether or not Mr. Redman's suggestions are within the legal constraints the City operates in is something I am afraid I cannot answer. There does seem, however, to remain the potential conflict of interest when a general construction management team is involved in the project very early on and in his ability at a later point to actually bid on the project. In short, I believe the best way for the City to ensure proper construction management, is to maintain a good program of developing project managers within the various departments.

ATW:rp

CC : Ray Kerrick
Lynn Lindsay
Michael Venable, OPP

Attachments

Your
Seattle
Center

RECEIVED
APR 1 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

John W. Fearey, Director

Wes Uhlman, Mayor

MEMORANDUM March 31, 1976

TO: Councilman Randy Revelle, Seattle City Council

FROM: John W. Fearey

SUBJECT: CONSTRUCTION MANAGEMENT/NEGOTIATED CONTRACTS

Via Mayor's Office

This is to supplement the information provided on construction management by Al Wyemura at Seattle Center. Largely as a result of conversations in late 1975 with several major construction firms regarding a negotiated contract for construction management of the Seattle Center Levy, Rick Redmond of John Sellen Construction was prompted to write to your office regarding the subject of construction management and negotiated contracts, as an alternative to the traditional process of public works.

The Seattle Center Special Repair and Maintenance Levy would have been an ideal opportunity to employ the concept of performance selection for selecting a general contractor to carry out the Levy work. Selection in this manner would have enabled the following advantages to occur:

1. A general contractor would have joined the consulting engineering team in early stages of project design, being able to lend expertise and current cost estimating to professional A/E effort.

2. The problem we face in competitive public bidding in the public sector is that, while each contractor attempts to be the low bidder, each is also protecting himself against unknowns. The result is that there is a general 15% fee for markup, profit and overhead. The problem is further compounded as City projects frequently involve change orders for successful completion of a quality product. This is particularly true of remodelling or renovation work. What normally occurs is that the contractor returns the actual cost of labor and materials to the client, or at least in part; however, his profit on that item remains within his basic fee. Those dollars, in turn, might be reprogrammed in lieu of a particular item in the form of a change order which includes the dollars in the contract, plus an additional 15% markup and profit for the contractor. Because of unknowns in the project, and certain exposure on the part of the contractor, there is a much greater enthusiasm for the contractor to use the change order mechanism to make a profit. Clearly, no contractor is involved in contracting without the goal of a profit motive. This is why a performance selected contractor who performs

305 Harrison Street • Seattle, Washington 98109 • (206) 583-2900

on a set fee basis makes sense. In such a situation, the contractor bids the work at the cost of labor and materials, plus a flat rate construction management fee. In projects on the scale of $5 million, a fee of 5% would typically prevail.

3. By utilizing a performance selection mechanism for determination of the general contractor, one assures oneself that the contractor will be capable of performing, can be well organized, and have experience in this particular field. The competition is in a sense competitive, not only based upon the percentage fee the contractor states for his "management" effort, but also based upon a series of weighted points, possibly including: previous work in the area; bonding capacity; quality and calibre of personnel to be employed on the job; ability to complete the job on time, etc. This range of evaluation criteria enables the client, as is done in the private sector, to select the best possible contractor for the job.

4. By placing the contractor on the Owner's design team early in the construction process, the entire team works as a unit to most wisely spend the dollars available. The process is "fast tracked" through short cuts in many of the elaborate specification and document efforts that are normally required to guarantee a tight spec. This, in turn, should result in some reduction in the A/E effort involved in any project, an area of potentially further cost savings. Typical A/E fees on a percentage basis for remodel work run as high as 15 to 18%. Desire on the part of A/E firms to draw tight specifications continues to increase as more and more liability cases reach the courts and the Owner calls the A/E as well as the Contractor into the liability suit.

The concept of third-party construction management, in addition to the A/E firm and the General Contractor, is available to City agencies under current law; however, it does not eliminate the traditional bidding process with its built-in efficiencies. According to informal opinion by the Office of the Corporation Counsel, the City is currently bound both by State Law and City Charter to carry out competitive construction bid award, based only on completed plans and specifications.

JWF:llm

cc: Lynn Lindsay

Your City, Seattle

Executive Department-Office of Management and Budget

Walter R. Hundley, Director
Wes Uhlman, Mayor

April 12, 1976

Honorable Randy Revelle, Chairman
Public Safety and Health Committee
Seattle City Council

Dear Councilman Revelle:

The attached letter from the Board of Public Works responds to your March 10, 1976 request for information on possible construction management revisions. You also requested a response from the Office of Management and Budget. I concur in the analysis of the Board that Mr. Redman's proposal is neither legal nor desirable for the City.

Sincerely,

Walter R. Hundley
Budget Director

WRH:KS:dj
Attachment

Your City, Seattle
Executive Department-Office of Policy Planning

MEMORANDUM April 27, 1976

RECEIVED
APR 30 1976
RANDY REVELLE
CITY COUNCILMAN

To: Randy Revelle, Seattle City Council

From: Mike Venable, Manager, Policy Management Division

Subject: Construction Management

Please excuse the lateness of this response to your inquiry concerning Construction Management. I'm afraid that I know very little about the concept, but after reviewing the materials you sent over I do have some general concerns. As I understand the proposal, the contractor is chosen before any scope, definition or pre-planning has been accomplished. The contractor then works with a team including the City, the architect and the engineer on all phases of a particular project. The contractor is chosen based on past performance, not on competitive bidding. My first general reaction is that this may violate the City Charter (and probably State law as well). Article VII, Section 15 is specific in mandating that "all public improvements to be made by contract shall be let to the lowest bidder". The Construction Management theory cannot accommodate this requirement since the contractor is suppose to be chosen before project information is available upon which the contractor can base a bid.

Beyond the legal question, I would say that the theory has other problems which should be addressed prior to making a decision. First, it is difficult to understand how the City can pick the appropriate contractor for any given project before the project has been designed as to scope, costs and other specifications. In addition, with no fear of having to bid against other general contractors, the potential exists for the contractor to increase costs incrementally along the way.

Secondly, as Mr. Wyemura pointed out in his response to you, a major percentage of project management problems (75%) occur in the initial design of the project. I would expect that the City Council would want to maintain the flexibility they currently have over project design before selection of a contractor takes place. This would be especially true when the Council decides that the design phase proves that the project is no longer desirable and construction will not take place. The kinds of management Mr. Redman alludes to in his letter are currently being performed by project managers within departments. The need for these managers would not be eliminated by the Construction Management

Historic Seattle

Smith Tower Seattle, Washington 98104 (206) 622-6952

Council:

Ralph Anderson
Mrs. Stimson Bullitt
Brewster Denny
Polly Friedlander
Gary Gaffner
David Ishii
Paul Hayden Kirk
Mrs. William G. Lucks
Louis Michaelson
Mrs. William G. Reed, Jr.
Frank Soderling
Bruce Zielsdorf, chairman

Lawson A. Elliott, Executive Director

RECEIVED
APR 21 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

April 20, 1976

Randy Revelle, Councilman
Seattle City Council
1106 Seattle Municipal Building
Seattle, Washington 98104

Dear Councilman Revelle:

I am responding to your request that we review and make recommendations on Richard C. Redman's letter regarding construction management.

As we have no direct experience in the methods of contractor selection suggested by Mr. Redman we are unable to make any specific comments. We are, however very interested in how others respond because there is merit to including the contractor at the earliest date, especially in building restoration work. It is during the early stages of a project when the building philosophy and guidelines are established and the firm responsible for ultimately carrying these out in construction can be more effective if involved from the beginning.

Thank you for the opportunity to comment. We would appreciate being kept informed about this matter.

Yours truly,

Lawson A. Elliott
Executive Director

LAE:dma

Historic Seattle Preservation and Development Authority is a public corporation established by the City of Seattle pursuant to state law for the preservation and enhancement of the city's heritage and the creation of a more livable environment within the historic areas of the city.

theory, since they, by virtue of their project knowledge, would have to perform as the "owner" member of the construction team. Thus, the City would possibly end up paying more for the design phase of all projects.

A final consideration that I can think of relates to scope. I find it difficult to believe that contractors would be at all interested, or helpful, in being involved in the design of any project which has a magnitude less than the West Seattle Freeway or the Aquarium. Very few CIP projects are great enough in scope to elicit enough contractor interest early in design.

In summary, I would suggest that the Construction Management theory is not entirely amenible or transferrable to the City's approach to public improvements. If further consideration is warranted, this office will be glad to participate.

MV:hd

BPW
4/26

ENGINEERING DEPARTMENT

April 26, 1976

R. W. Wilkinson, Director - OPP Attention: Marie Jones

L. A. Guttmann

Construction Management Revisions

Attached please find a copy of the letter Mr. Wiatrak forwarded to Councilman Revelle. If you have any questions or comments, please contact Art Maronek at 2381 or Betty McFarlane at 2766.

LAG:smh
Attachment

BPR
4/27

April 26, 1976

John Harris
Corporation Counsel
City of Seattle
Attention: Don Stout

Dear Mr. Harris:

We have received previous opinions from your office regarding the wording of specifications on construction contracts for liquidated damages and value engineering incentives. There is one additional provision we desire to include in the specifications; namely, time incentives.

Currently, construction contracts are let with a City-specified time period within which the project must be completed. This time period represents our judgement as to a reasonable period of time for construction of the project. The penalty for later completion is set forth as liquidated damages, but no incentive is set forward for early completion.

As you noted in your advice to us on liquidated damages, there are costs to the City, and to the public, for every day a project is not completed. We propose to minimize this cost by including a time incentive in every special provision which contains a liquidated damages clause.

That incentive would be applied as follows:

1. The contract document would set forth the City's requirement as to the time period for completion of the contract.
2. The special provisions on liquidated damages would set forth the amount per day that would be levied against the contractor for each day he is late, as compared to the City requirements, for at least 2 of 3 classes of costs; namely:
   a. Liquidated damages levied by the State (for jobs involving State or federal funds).
   b. Liquidated damages levied by the City equal to the average daily inspection and related costs.
   c. Public costs, as computed by the Seattle Engineering Department.
3. In order to be eligible for such time incentives, contractors would be required in the bid document to state the number of days, not to exceed the City's requirements, he would need to complete the contract.
4. Legitimate time extensions would be applied to both the City's required completion period and the Contractor's target. The special provisions would contain a time incentive clause, which would provide payment to the contractor of:
   a. 50% of Item 2B above, per day of early completion; provided that the contractor meets or betters his target as stated in Item 3 above.

Copy: Corp Counsel 17-9
Copy: Value Engineering
Copy: Stnd Plans & Specs

b. 25% of Item 2B above, per day of early completion, where the contractor exceeds his target but betters the City's requirement.

This time incentive would benefit the City by allowing us to save 50%-75% inspection costs because of the contractor's early completion, plus save the public the per day cost of non-completion; as set forth in the special provisions on liquidated damages. The amount of money paid to the contractor would always be substantially less than the dollar benefit accruing to the City and the public; therefore, such incentive payments are, in our mind, valid and proper expenditures of City funds.

Please advise us as to the propriety of including such time incentives in future contracts which contain provisions for liquidated damages.

Very truly yours,

PAUL A. WIATRAK, P.E.
City Engineer

By
ARTHUR E. MARONEK
Principal Assistant City
Engineer for Engineering

AEM:lg
cc: W.E.P. Smith
L. Koski
D. Roletto

Concurrence Prior to Signature	
PAW	PAW

BPW.

PAUL WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE
BOARD OF PUBLIC WORKS
DEPARTMENT

M E M O R A N D U M

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
WEPS		
GEM YRSW		
PMB		

WG
JGR.

April 22, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary

Re: Board of Public Works Agenda Deadline

An increasing number of items for Board of Public Works consideration are being received in the Board Department after the deadline of 5:00 P.M. on Monday before the meeting, with the request that they be placed on the agenda. Since each of the items for the weekly agenda should receive proper attention by our staff before being scheduled and the Monday deadline itself allows only a minimum of time, the processing of late submittals does not allow us to do the job. The Board meeting is not going to run smoothly and problems can arise.

We realize that the loss of a week's time can be critical in some cases, so we request that you alert your assistants to have communications prepared in sufficient time to get them to the Board Department by the Monday deadline or they may be held.

We appreciate your assistance in allowing us to properly prepare for the Board's meeting.

BLM:EJH:jk

cc: Len Koski, Engineering
John Skommesa, Engineering
R. L. Snyder, Building
Chuck Hennebry, Building
Bill Rashkov, Water
John Tiemeyer, Parks
Evelyn Larson, Parks
Ernie Ferrero, Parks
John Hansen, Lighting

SEATTLE ENG DEPT
APR 23 1 14 PM '76

BPH
4/13

Engineering Department

April 12, 1976

Councilman Randy Revelle VIA Mayor Wes Uhlman

Paul A. Wiatrak Sgd Paul A. Wiatrak

Richard C. Redman proposal

It is assumed, based on the circulation of your response to Mr. Redman, that the legal concern would be provided by the Corporation Counsel and suggestions for changing the existing laws to make Mr. Redman's proposal legal would likewise come from Mr. Harris.

I concur in the response, attached, by the Board of Public Works.

RKB:mo
Attachment

Information												
						RKB	Concurrence Prior to Signature					

ROUTING		INITIAL
ACTION		
WEM/LK/RNS		
FILE		
INFORMATION		
Pass PAW		

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

March 31, 1976

SEATTLE ENG DEPT APR 5 9 02 AM '76

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary

Re: Specifications for Public Works Projects - Senate Bill 2143

The Board of Public Works, in regular session today, approved the following procedures and regulations for public works projects:

On State and Federally funded projects specifications shall be written to reflect all work being done by contractor. No City forces will do anything, except supervision, unless an emergency exists (such as damage by contractor to known service connections) previously located by Water Department, Lighting, or Engineering. Water, Engineering and Lighting will restore, and cost of restoration will be charged to contractor as an emergency repair.

Unknown water service connections or other utility damage caused by contractor will be restored by Water Department, or Engineering and Lighting; and cost will be absorbed by utility involved, as an emergency repair.

All projects not funded by Federal or State may include alternate bid items for water service connections or other types of special services. Specifications would hold contractors responsible for all health and safety procedures used and whatever may result adversely from their work on the connections. Additional liability insurance is required on water connection installations. It is also a requirement (and should be stated in the specifications) that the contractor's people, actually performing the work on connections, be certified water control personnel to qualify the contractor on this type of work, due to the health hazards involved. Time limits should be placed in the specifications for making these connections.

The City will do the work with its own forces if the low bidder on the base bid does not bid the alternate, alternate bid is too high (10% over the Engineer's estimate) or contractor is not qualified. Realistic estimates from departments on the City's doing the work in these cases shall be on file in the Board Office, prior to bid opening. The Water Department will not serve as a subcontractor to the contractor. There will be no pre-cutting of water services by contractor permitted.

Engineering Department will hold separate meetings with appropriate departmental and utility personnel prior to point of advertising on the following types of projects:

a. Watermains

b. Undergrounding (City Light, Street Light, and Traffic System)

c. Paving

d. Landscaping

e. Structural (Bridge rehabilitation).

Plans and specifications will then be circulated in usual manner to all Board Departments prior to Board of Public Works action.

Attached also is a copy of specifications submitted by the Water Department for public works projects which require work by a contractor on charged watermains and water services. Item 11 should be amended to read "EMERGENCY REPAIR OF DAMAGED FACILITIES." These specifications should be reviewed by Engineering Department and the Corporation Counsel and have Water Department's approval before inclusion in specifications.

BLM/jw

Att.

cc: Mike Lindblom - Water Department
Ken Kiesel - Water Department
Bob Stuart - Engineering Department
Len Koski - Engineering Department
Arthur E. Maronek - Engineering Department
Bob Snyder - Building Department
Dean Sundquist - Lighting Department

SUGGESTED REQUIREMENTS, CONDITIONS, AND SPECIFICATIONS FOR CONTRACTOR WORK ON CHARGED WATERMAINS AND WATER SERVICES

1. INSURANCE

   A. In addition to the coverage required for personal injury and property damage (Section 3-1.07B), the following is required: Public health liability coverage with limits of not less than $1,000,000 for adverse effects on health, including accidental death to any one person, and subject to that limit for each person, in an amount of not less than $5,000,000 for each occurrence.

   B. Add reference to adverse effects on health to Section 3-1.07C - Idemnify owner from loss.

2. INSPECTION

   A. All work performed by the contractor on a watermain connection (including temporary watermain) or on a water service (including temporary service) will be done only in the presence of an inspector assigned to the project by the Seattle Water Department. Inspection of watermain connections shall be made in cooperation with the Project Engineer.

   B. The inspector will have authority to reject defective or unacceptable material and to suspend any work that is being improperly done, subject to the final decision of the Superintendent of Water. Failure of the inspector to call the attention of the contractor to faulty work or material shall not constitute acceptance of the work.

3. MATERIAL

   A. The contractor shall only install new unused materials, which meet City of Seattle specifications for potable water supply, for watermain connections and permanent water service connections. Materials used for temporary watermains and temporary service connections shall be either new or previously used only for temporary potable water supply, and shall be subject to Water Department inspection and approval prior to installation.

4. DISINFECTION

   A. All temporary watermain, prior to being placed in use, will be subject to the provisions of Section 74-2.13, Disinfection of Watermains.

B. The interior or all pipe and fittings used in making watermain connections, either permanent or temporary, shall be swabbed with a 5% hypochlorite solution prior to being installed.

C. All water services 1½" in size and smaller, prior to either temporary or permanent connection, shall be disinfected as follows:

1. A minimum of 1 oz. of 5% hypochlorite solution for each 25 feet of service pipe shall be placed in the service pipe at the point where the connection is to be made.

2. The service pipe shall be connected to the corporation stop (corp), which will then be partially opened to allow the service pipe to fill.

3. When the service pipe has filled, first the curb cock and then the corp will be closed, and the treated water shall be allowed to stand in the service pipe for a minimum of 10 minutes.

4. Following chlorination, the corp and the curb cock will be opened and water flushed through the service line to the inlet side of the meter setter for a minimum of 5 minutes. If the portion of the service pipe between the meter and the property connection has been installed, replaced, or altered, then the flushing will be made at the point of the property connection. Caution shall be used in disposing of the chlorinated flushing water so as not to injure persons or animals or damage adjacent vegetation or waterway.

5. Immediately following the connection to the property service pipe, the nearest hose bibb on the property shall be opened and flushed until the water is free of discoloration.

D. All water services 2" in size and larger, prior to connection to the property service line, shall be subject to the provisions of Section 74-2.13, Disinfection of Watermains.

5. <u>TEMPORARY WATERMAINS AND SERVICES</u>

A. The contractor shall install and maintain temporary watermains and services in such a manner as to provide constant and adequate water supply to consumers and to avoid impeding vehicular and pedestrian traffic and access to abutting properties.

B. Any repairs to temporary watermains and services which are required during other than normal working hours shall be made by the Water Department and charged to the contractor.

C. Temporary watermain line valves and standpipes for temporary fire protection shall be installed per project plans.

D. The contractor shall provide advance notification of service interruption to each affected consumer prior to installation of temporary connections. Temporary service connections are to be made so as to minimize interruption of service.

E. Temporary service lines shall be connected from the temporary main to the outlet side of the meter setter. All temporary services shall be provided with a shut-off valve at the connection to the temporary main.

F. Upon connection, the contractor shall deliver the meter to the Water Department inspector for transfer to the Water Department meter shop.

G. The contractor shall avoid the loss or damage to meters, meter setters, boxes, lids, and existing service pipe. The cost of Water Department repairs to or replacement of the above shall be charged to the contractor.

H. Disinfection of temporary watermains and services shall be accomplished as outlined in paragraph 5. No connections shall be made to the temporary watermain until a satisfactory bacteriological report on the temporary main has been obtained from the Water Department.

6. CONNECTING NEW WATERMAINS TO EXISTING WATERMAINS

A. The contractor shall schedule the shut-down of existing watermains required to complete the connection a minimum of 48 hours in advance and subject to Water Department approval. Notification to consumers of the scheduled shut-down shall be made by Water Department personnel.

B. Operation of valves to accomplish the shut-down and subsequent watermain reactivation will be performed by Water Department personnel.

7. CONNECTING SERVICES TO PERMANENT WATERMAIN

A. All permanent service connections shall be made in accordance with paragraph 5 - Disinfection.

B. The contractor shall make all taps for service connections and install pipe, fittings, and meter boxes in accordance with Seattle Water Department standard plans.

C. When making the connection to the permanent watermain the contractor shall remove the temporary service connection and install a straight pipe connection between the inlet and outlet of the meter setter and pressurize the service line.

D. The contractor shall leave the side trench open until the pressurized service line has been inspected. Upon approval of the installation, the inspector shall order the reinstallation of the meter by Water Department personnel.

E. No service pipe material which has been used for temporary service shall be subsequently used for a permanent service installation.

F. The location of the permanent service connection shall be designated by the Water Department inspector.

8. <u>REMOVAL OF TEMPORARY WATERMAINS</u>

A. The temporary watermain shall remain in service until all temporary service connections have been transferred to the permanent main, at which time the contractor shall disconnect and remove the temporary watermain and restore driveway and street crossings to their original condition, unless otherwise specified.

9. <u>ADJUSTING AND EXTENDING SERVICE CONNECTIONS</u>

A. All adjustments to services because of changes in grade, the installation of other utilities, or street right-of-way improvements shall be subject to Water Department inspection and approval.

B. All extensions of services necessitated by street widening projects shall be subject to Water Department inspection and approval, and subject to the provisions of paragraph 5 - Disinfection.

10. <u>CUTTING EXISTING SERVICES</u>

A. When water services occupy the same space as the project trench, the contractor, in order to avoid damage and the subsequent cost of repairs, may request that the Water Department cut the services ahead of the excavating machine

and reconnect them after the machine passes. The expense of cutting and reconnecting shall be charged to the contractor.

11. Emergency REPAIR OF DAMAGED FACILITIES

A. All damage caused by the contractor to watermains, services, hydrants, or other appurtenances shall be repaired by Water Department personnel.

B. If the damage is to a watermain, service, hydrant, or other appurtenance which is shown on the project plans or which has been field located and marked by the Water Department, the cost of the repair shall be charged to the contractor.

BPW

Mr. Paul A. Wiatrak
City Engineer

Seattle Board of Public Works

Betty L. McFarlane, Executive Secretary
Wes Uhlman, Mayor

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
WCPS/EMW/REB		
DEM/DR		

March 29, 1976

SEATTLE ENG DEPT
APR 15 9 09 AM '76

Re: Construction Management Revisions

Via: Mayor Wes Uhlman

Randy Revelle, Chairman
Public Safety and Health Committee
Seattle City Council

Dear Councilman Revelle:

We have reviewed your Transmittal of March 10, submitting a February 23 proposal from Richard C. Redman regarding construction management revisions.

In an attached copy of a letter to Mr. Redman you asked that departments reviewing the subject consider the following:

1) Whether the proposal is legal under federal, state and local laws.

Reply:
The City of Seattle Charter, Article VII, Sections 13 and 15, requires that all public improvements to be made by contract shall be let to the lowest bidder; and before awarding any such contract a call for bids shall have been made inviting sealed bids for such improvements and the bids publicly opened and read, or in the Board's discretion any such improvements may be done under management of the Board by day labor.

State Law, passed September, 1975, requires that all public works improvements over $10,000 be made by contract, or $15,000 as it pertains to watermains. This means almost everything is now done by contract, in light of the present inflation and cost of living levels. This State Law supersedes our City Charter.

2) Assuming his proposals are, or can be, made legal, are they desirable for the City of Seattle? Do they maintain a proper balance between the controls necessary to insure honest contracting and an efficient system to make best use of the taxpayers' money?

Reply:
We do not believe the construction management proposal as submitted is desirable for the City of Seattle, due to the fact that contracts would be negotiated with prime contractors. This procedure could open up public works activities to the dangers of illegal practices, kickbacks, favoritism, etc. There are various ways to accomplish

public works projects without deviating from the open-competitive bidding procedures we believe are desirable to maintain. We follow the open-competitive bid laws as required and still, basically, we operate as a construction management team--since the architect or consultant, the owner and the contractor work together on a project. The only difference is that the contractor is not on board from the beginning of the project in the design stages, which in our opinion, would not save either time or money as Mr. Redman has implied. Our departments have the expertise available to work with consultants when planning public works projects. Therefore, we do not believe it is necessary to have both the contractor and the consultant work together. During construction of a project the department involved assures that the contractor carries out the work in accordance with the contract specifications and we save considerable taxpayers' money by awarding to the low bidder who meets the requirements of the specifications.

We can prequalify bidders prior to bid opening to make sure that the City is able to get contractors with experience and expertise to accomplish difficult or "special-type" projects. This has been done when deep tunneling is required under the street and there is considerable danger involved, requiring expert, experienced handling. State Law requires that all electrical and undergrounding bidders be prequalified.

Several projects may be bid on the basis of a single project. It is possible that one prime contractor could be awarded a multiple project contract and he, in turn, would hire subcontractors to assist in accomplishing the entire project. Such a contract would be appropriate perhaps in instances where there is a common link between several projects and it is desirable to have one contractor maintain continuity. All subcontractors must be approved by the Board of Public Works, and we keep files on their past performance and expertise.

As pointed out, the new State Law stipulates that all work will be contracted out over $10,000. This is more stringent than the City Charter, which states that the Board has the discretion to do certain work by day labor if deemed appropriate. Prior to the State Law, the City had this option and felt that it was desirable. It allowed us to do emergency, maintenance and service connection work with our own forces. This was well managed, as only 5% of the work was done by City forces or by day labor and 95% was contracted out. The State Law has increased the project costs to taxpayers, because in order for outside contractors to do the work special requirements, such as liability insurance, bonding and boiler plate are necessary. Extra supervision and inspection is required by the City. In areas of concern for health and safety, work was done with our own forces (such as watermain connections, electrical distribution, etc.). City forces were familiar and responsible for safety and work performance and did not require sophisticated specifications to do the work, since it involved their everyday operations and expertise. Doing work of a maintenance nature with day labor or City forces did not lead to improper practices since hiring was done through union halls and day labor crews were hired and placed on departments' budgets to augment the City's emergency crews whenever necessary. Contracts were not involved. We were opposed to Senate Bill 2143 when it was introduced and are opposed to the

Law which was passed in connection, therewith. We are documenting these increased project costs to show that the taxpayer is "hurting" from the requirement that all work be contracted out. The Associated General Contractors, who put out the booklet on "Construction Management Guidelines," supported and lobbied for the new State Law requiring open-competitive bidding on everything over $10,000, so we cannot believe that they would endorse negotiated contracts for public works projects.

If there is any change contemplated in our bidding laws, it should be in the State Law, which we believe is too restrictive. We plan to work for an amendment to the Law in the near future. We should be able to do certain work in-house. However, on contracting for public works projects, we believe strongly in the open-competitive bidding process. The City Charter provides latitude and maintains proper control as it is written.

In our judgment, the general management-negotiated contract system would not be in the best interest of contractors or the public, for the reasons provided above. There has been no scandal in public works bidding activities in the City of Seattle, and we feel it is because of the open-competitive bidding procedures, adherence to the laws, and award to the low bidder who meets the requirements of the specifications.

Respectfully submitted,

BOARD OF PUBLIC WORKS

Paul A. Wiatrak

Paul A. Wiatrak
Chairman

BLM:mn

cc: Mayor Wes Uhlman
Office of Management and Budget (3)
All Board of Public Works Members

BPW

Seattle Water Department

Kenneth M. Lowthian, Superintendent
Wes Uhlman, Mayor

ROUTING	DATE	INITIAL
ACTION		
FLEM/LK		
FILE	✓	
INFORMATION		
Paw		

SEATTLE ENG DEPT
MAR 30 11 55 AM '76

March 29, 1976

Mr. Paul A. Wiatrak, P.E.
City Engineer
City of Seattle

Dear Mr. Wiatrak:

The attached recommendations have been prepared in response to the current interpretation of Senate Bill 2143 - Contract Law. We feel that these items must be included in future public works projects which require work by a contractor on charged watermains and water services. We are of course concerned with maintaining the quality of the water distribution system and minimizing inconvenience to our customers during these projects. Our primary concern, however, is for the protection of water quality and public health.

Would you please have the necessary specifications prepared for review by the Law Department? We would like to review the specifications prior to their inclusion in future contracts. In addition, Sections 72 thru 78 of the Standard Specifications Manual will require considerable revision.

Sincerely,

KENNETH M. LOWTHIAN
Superintendent of Water

Copies: BPW
Stand Plans & Specs

KML:MHL:yc
Attachment

Orig: Legislation

cc: Board of Public Works

SUGGESTED REQUIREMENTS, CONDITIONS, AND SPECIFICATIONS FOR CONTRACTOR WORK ON CHARGED WATERMAINS AND WATER SERVICES

1. INSURANCE

   A. In addition to the coverage required for personal injury and property damage (Section 3-1.07B), the following is required: Public health liability coverage with limits of not less than $1,000,000 for adverse effects on health, including accidental death to any one person, and subject to that limit for each person, in an amount of not less than $5,000,000 for each occurrence.

   B. Add reference to adverse effects on health to Section 3-1.07C - Idemnify owner from loss.

2. INSPECTION

   A. All work performed by the contractor on a watermain connection (including temporary watermain) or on a water service (including temporary service) will be done only in the presence of an inspector assigned to the project by the Seattle Water Department. Inspection of watermain connections shall be made in cooperation with the Project Engineer.

   B. The inspector will have authority to reject defective or unacceptable material and to suspend any work that is being improperly done, subject to the final decision of the Superintendent of Water. Failure of the inspector to call the attention of the contractor to faulty work or material shall not constitute acceptance of the work.

3. MATERIAL

   A. The contractor shall only install new unused materials, which meet City of Seattle specifications for potable water supply, for watermain connections and permanent water service connections. Materials used for temporary watermains and temporary service connections shall be either new or previously used only for temporary potable water supply, and shall be subject to Water Department inspection and approval prior to installation.

4. DISINFECTION

   A. All temporary watermain, prior to being placed in use, will be subject to the provisions of Section 74-2.13, Disinfection of Watermains.

B. The interior or all pipe and fittings used in making watermain connections, either permanent or temporary, shall be swabbed with a 5% hypochlorite solution prior to being installed.

C. All water services 1½" in size and smaller, prior to either temporary or permanent connection, shall be disinfected as follows:

1. A minimum of 1 oz. of 5% hypochlorite solution for each 25 feet of service pipe shall be placed in the service pipe at the point where the connection is to be made.

2. The service pipe shall be connected to the corporation stop (corp), which will then be partially opened to allow the service pipe to fill.

3. When the service pipe has filled, first the curb cock and then the corp will be closed, and the treated water shall be allowed to stand in the service pipe for a minimum of 10 minutes.

4. Following chlorination, the corp and the curb cock will be opened and water flushed through the service line to the inlet side of the meter setter for a minimum of 5 minutes. If the portion of the service pipe between the meter and the property connection has been installed, replaced, or altered, then the flushing will be made at the point of the property connection. Caution shall be used in disposing of the chlorinated flushing water so as not to injure persons or animals or damage adjacent vegetation or waterway.

5. Immediately following the connection to the property service pipe, the nearest hose bibb on the property shall be opened and flushed until the water is free of discoloration.

D. All water services 2" in size and larger, prior to connection to the property service line, shall be subject to the provisions of Section 74-2.13, Disinfection of Watermains.

5. <u>TEMPORARY WATERMAINS AND SERVICES</u>

A. The contractor shall install and maintain temporary watermains and services in such a manner as to provide constant and adequate water supply to consumers and to avoid impeding vehicular and pedestrian traffic and access to abutting properties.

B. Any repairs to temporary watermains and services which are required during other than normal working hours shall be made by the Water Department and charged to the contractor.

C. Temporary watermain line valves and standpipes for temporary fire protection shall be installed per project plans.

D. The contractor shall provide advance notification of service interruption to each affected consumer prior to installation of temporary connections. Temporary service connections are to be made so as to minimize interruption of service.

E. Temporary service lines shall be connected from the temporary main to the outlet side of the meter setter. All temporary services shall be provided with a shut-off valve at the connection to the temporary main.

F. Upon connection, the contractor shall deliver the meter to the Water Department inspector for transfer to the Water Department meter shop.

G. The contractor shall avoid the loss or damage to meters, meter setters, boxes, lids, and existing service pipe. The cost of Water Department repairs to or replacement of the above shall be charged to the contractor.

H. Disinfection of temporary watermains and services shall be accomplished as outlined in paragraph 5. No connections shall be made to the temporary watermain until a satisfactory bacteriological report on the temporary main has been obtained from the Water Department.

6. CONNECTING NEW WATERMAINS TO EXISTING WATERMAINS

A. The contractor shall schedule the shut-down of existing watermains required to complete the connection a minimum of 48 hours in advance and subject to Water Department approval. Notification to consumers of the scheduled shut-down shall be made by Water Department personnel.

B. Operation of valves to accomplish the shut-down and subsequent watermain reactivation will be performed by Water Department personnel.

7. CONNECTING SERVICES TO PERMANENT WATERMAIN

A. All permanent service connections shall be made in accordance with paragraph 5 - Disinfection.

B. The contractor shall make all taps for service connections and install pipe, fittings, and meter boxes in accordance with Seattle Water Department standard plans.

C. When making the connection to the permanent watermain the contractor shall remove the temporary service connection and install a straight pipe connection between the inlet and outlet of the meter setter and pressurize the service line.

D. The contractor shall leave the side trench open until the pressurized service line has been inspected. Upon approval of the installation, the inspector shall order the reinstallation of the meter by Water Department personnel.

E. No service pipe material which has been used for temporary service shall be subsequently used for a permanent service installation.

F. The location of the permanent service connection shall be designated by the Water Department inspector.

8. REMOVAL OF TEMPORARY WATERMAINS

A. The temporary watermain shall remain in service until all temporary service connections have been transferred to the permanent main, at which time the contractor shall disconnect and remove the temporary watermain and restore driveway and street crossings to their original condition, unless otherwise specified.

9. ADJUSTING AND EXTENDING SERVICE CONNECTIONS

A. All adjustments to services because of changes in grade, the installation of other utilities, or street right-of-way improvements shall be subject to Water Department inspection and approval.

B. All extensions of services necessitated by street widening projects shall be subject to Water Department inspection and approval, and subject to the provisions of paragraph 5 - Disinfection.

10. CUTTING EXISTING SERVICES

A. When water services occupy the same space as the project trench, the contractor, in order to avoid damage and the subsequent cost of repairs, may request that the Water Department cut the services ahead of the excavating machine

and reconnect them after the machine passes. The expense of cutting and reconnecting shall be charged to the contractor.

11. REPAIR OF DAMAGED FACILITIES

A. All damage caused by the contractor to watermains, services, hydrants, or other appurtenances shall be repaired by Water Department personnel.

B. If the damage is to a watermain, service, hydrant, or other appurtenance which is shown on the project plans or which has been field located and marked by the Water Department, the cost of the repair shall be charged to the contractor.

BPW

Seattle Water Department

Kenneth M. Lowthian, Superintendent
Wes Uhlman, Mayor

ROUTING	DATE	INITIAL
	ACTION	
FI EM	/LK	
	✓	
	INFORMATION	
Paw		

SEATTLE ENG DEPT
MAR 30 11 55 AM '76

March 29, 1976

Mr. Paul A. Wiatrak, P.E.
City Engineer
City of Seattle

Dear Mr. Wiatrak:

The attached recommendations have been prepared in response to the current interpretation of Senate Bill 2143 - Contract Law. We feel that these items must be included in future public works projects which require work by a contractor on charged watermains and water services. We are of course concerned with maintaining the quality of the water distribution system and minimizing inconvenience to our customers during these projects. Our primary concern, however, is for the protection of water quality and public health.

Would you please have the necessary specifications prepared for review by the Law Department? We would like to review the specifications prior to their inclusion in future contracts. In addition, Sections 72 thru 78 of the Standard Specifications Manual will require considerable revision.

Sincerely,

Kenneth M. Lowthian

KENNETH M. LOWTHIAN
Superintendent of Water

Orig: Legislation
Copy: BPW

KML:MHL:yc
Attachment

cc: Board of Public Works

SUGGESTED REQUIREMENTS, CONDITIONS, AND SPECIFICATIONS FOR CONTRACTOR WORK ON CHARGED WATERMAINS AND WATER SERVICES

1. INSURANCE

   A. In addition to the coverage required for personal injury and property damage (Section 3-1.07B), the following is required: Public health liability coverage with limits of not less than $1,000,000 for adverse effects on health, including accidental death to any one person, and subject to that limit for each person, in an amount of not less than $5,000,000 for each occurrence.

   B. Add reference to adverse effects on health to Section 3-1.07C - Idemnify owner from loss.

2. INSPECTION

   A. All work performed by the contractor on a watermain connection (including temporary watermain) or on a water service (including temporary service) will be done only in the presence of an inspector assigned to the project by the Seattle Water Department. Inspection of watermain connections shall be made in cooperation with the Project Engineer.

   B. The inspector will have authority to reject defective or unacceptable material and to suspend any work that is being improperly done, subject to the final decision of the Superintendent of Water. Failure of the inspector to call the attention of the contractor to faulty work or material shall not constitute acceptance of the work.

3. MATERIAL

   A. The contractor shall only install new unused materials, which meet City of Seattle specifications for potable water supply, for watermain connections and permanent water service connections. Materials used for temporary watermains and temporary service connections shall be either new or previously used only for temporary potable water supply, and shall be subject to Water Department inspection and approval prior to installation.

4. DISINFECTION

   A. All temporary watermain, prior to being placed in use, will be subject to the provisions of Section 74-2.13, Disinfection of Watermains.

B. The interior or all pipe and fittings used in making watermain connections, either permanent or temporary, shall be swabbed with a 5% hypochlorite solution prior to being installed.

C. All water services 1½" in size and smaller, prior to either temporary or permanent connection, shall be disinfected as follows:

1. A minimum of 1 oz. of 5% hypochlorite solution for each 25 feet of service pipe shall be placed in the service pipe at the point where the connection is to be made.

2. The service pipe shall be connected to the corporation stop (corp), which will then be partially opened to allow the service pipe to fill.

3. When the service pipe has filled, first the curb cock and then the corp will be closed, and the treated water shall be allowed to stand in the service pipe for a minimum of 10 minutes.

4. Following chlorination, the corp and the curb cock will be opened and water flushed through the service line to the inlet side of the meter setter for a minimum of 5 minutes. If the portion of the service pipe between the meter and the property connection has been installed, replaced, or altered, then the flushing will be made at the point of the property connection. Caution shall be used in disposing of the chlorinated flushing water so as not to injure persons or animals or damage adjacent vegetation or waterway.

5. Immediately following the connection to the property service pipe, the nearest hose bibb on the property shall be opened and flushed until the water is free of discoloration.

D. All water services 2" in size and larger, prior to connection to the property service line, shall be subject to the provisions of Section 74-2.13, Disinfection of Watermains.

5. <u>TEMPORARY WATERMAINS AND SERVICES</u>

A. The contractor shall install and maintain temporary watermains and services in such a manner as to provide constant and adequate water supply to consumers and to avoid impeding vehicular and pedestrian traffic and access to abutting properties.

B. Any repairs to temporary watermains and services which are required during other than normal working hours shall be made by the Water Department and charged to the contractor.

C. Temporary watermain line valves and standpipes for temporary fire protection shall be installed per project plans.

D. The contractor shall provide advance notification of service interruption to each affected consumer prior to installation of temporary connections. Temporary service connections are to be made so as to minimize interruption of service.

E. Temporary service lines shall be connected from the temporary main to the outlet side of the meter setter. All temporary services shall be provided with a shut-off valve at the connection to the temporary main.

F. Upon connection, the contractor shall deliver the meter to the Water Department inspector for transfer to the Water Department meter shop.

G. The contractor shall avoid the loss or damage to meters, meter setters, boxes, lids, and existing service pipe. The cost of Water Department repairs to or replacement of the above shall be charged to the contractor.

H. Disinfection of temporary watermains and services shall be accomplished as outlined in paragraph 5. No connections shall be made to the temporary watermain until a satisfactory bacteriological report on the temporary main has been obtained from the Water Department.

6. CONNECTING NEW WATERMAINS TO EXISTING WATERMAINS

A. The contractor shall schedule the shut-down of existing watermains required to complete the connection a minimum of 48 hours in advance and subject to Water Department approval. Notification to consumers of the scheduled shut-down shall be made by Water Department personnel.

B. Operation of valves to accomplish the shut-down and subsequent watermain reactivation will be performed by Water Department personnel.

7. CONNECTING SERVICES TO PERMANENT WATERMAIN

A. All permanent service connections shall be made in accordance with paragraph 5 - Disinfection.

B. The contractor shall make all taps for service connections and install pipe, fittings, and meter boxes in accordance with Seattle Water Department standard plans.

C. When making the connection to the permanent watermain the contractor shall remove the temporary service connection and install a straight pipe connection between the inlet and outlet of the meter setter and pressurize the service line.

D. The contractor shall leave the side trench open until the pressurized service line has been inspected. Upon approval of the installation, the inspector shall order the reinstallation of the meter by Water Department personnel.

E. No service pipe material which has been used for temporary service shall be subsequently used for a permanent service installation.

F. The location of the permanent service connection shall be designated by the Water Department inspector.

8. REMOVAL OF TEMPORARY WATERMAINS

A. The temporary watermain shall remain in service until all temporary service connections have been transferred to the permanent main, at which time the contractor shall disconnect and remove the temporary watermain and restore driveway and street crossings to their original condition, unless otherwise specified.

9. ADJUSTING AND EXTENDING SERVICE CONNECTIONS

A. All adjustments to services because of changes in grade, the installation of other utilities, or street right-of-way improvements shall be subject to Water Department inspection and approval.

B. All extensions of services necessitated by street widening projects shall be subject to Water Department inspection and approval, and subject to the provisions of paragraph 5 - Disinfection.

10. CUTTING EXISTING SERVICES

A. When water services occupy the same space as the project trench, the contractor, in order to avoid damage and the subsequent cost of repairs, may request that the Water Department cut the services ahead of the excavating machine

and reconnect them after the machine passes. The expense of cutting and reconnecting shall be charged to the contractor.

11. REPAIR OF DAMAGED FACILITIES

A. All damage caused by the contractor to watermains, services, hydrants, or other appurtenances shall be repaired by Water Department personnel.

B. If the damage is to a watermain, service, hydrant, or other appurtenance which is shown on the project plans or which has been field located and marked by the Water Department, the cost of the repair shall be charged to the contractor.

BPW

PAUL A. WIATRAK, CITY ENGINEER

ROUTING	DATE	INITIAL
ACTION		
AEM		LK
FILE		✓
INFORMATION		
~~Plan Bureau~~		

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

MEMORANDUM

March 26, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Plan Bureau

On November 24, 1975 notice was sent to all Board of Public Works Departments that the American Builders Association in Bellevue would be included in the list of locations where plans and specifications could be viewed. This firm has notified us that it is no longer providing plan services and, therefore, all departments should discontinue sending them copies of plans and specifications on City projects.

BLM:EJH:jk

SEATTLE ENG DEPT
MAR 29 8 40 AM '76

BPW

ROUTING	DATE	INITIAL
ACTION		
AEM		
FILE	✓	
INFORMATION		
Pat		

PAUL A. WIA[illegible] CITY ENGINEER

RE: Senate Bill 2143

Board of Public Works
Office of the Executive Secretary

Betty L. McFarlane, Executive Secretary

DEPARTMENTAL ROUTING SLIP 3-17-76
(date)

All Board of Public Works Members
(referred to)

Betty L. McFarlane
(referred by)

____Please prepare reply for the Executive Secretary's signature on office stationery.

____Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

X Forwarded for your investigation, report, and recommendation. *

____Forwarded for your information and files.

____Other: The attached is my analysis of the Committee's recommendation to the Board of Public Works regarding specifications for projects which will go to bid in compliance with Senate Bill 2143.

Orig: Legislation

*Action requested no later than MARCH 22, 1976
(date)

cc: All Committee Members for S.B. 2143

SEATTLE ENG DEPT
MAR 18 8 38 AM '76

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

March 16, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary *Blm*

Re: Committee on Senate Bill 2143 - 3/8/76 and 3/16/76 Meetings

On State and Federal Projects the Committee recommends that specifications be written to reflect all work being done by contractor. No City forces will do anything, except supervision, unless an emergency exists (such as damage by contractor to known service connections) previously located by Water Department, Lighting, or Engineering. Water, Engineering and Lighting will restore, and cost of restoration will be charged to contractor as an emergency repair.

Unknown water service connections or other utility damage caused by contractor will be restored by Water Department, or Engineering and Lighting; and cost will be absorbed by utility involved, as an emergency repair.

All projects not funded by Federal or State may include alternate bid items for water service connections or other types of special services. Specifications would hold contractors responsible for all health and safety procedures used and whatever may result adversely from their work on the connections. The Water Department recommends that additional liability insurance be required on these water connection installations. It should also be a requirement of the specifications that the contractor's people actually performing the work on connections be certified water control personnel to qualify the contractor on this type of work, due to the health hazards involved. We should put time limits in the specifications for these connections to be made.

The City would do the work with its own forces if the low bidder on the base bid does not bid the alternate, alternate bid is too high (over the Engineer's estimate) or contractor is not qualified. Realistic estimates from departments on the

City's doing the work in these cases, must be on file in the Board Office, prior to bid opening. The Water Department will not serve as a subcontractor to the contractor. There will be no pre-cutting of water services by contractor permitted.

Engineering recommended that separate meetings be held with appropriate departmental and utility personnel prior to point of advertising on the following types of projects:

a. Watermains

b. Undergrounding (City Light, Street Light, and Traffic System)

c. Paving

d. Landscaping

e. Structural (Bridge rehabilitation).

Therefore, each would be written and circulated to all separatel with no need for this Committee to exist any longer.

BLM/jw

BPW

TO: PAUL A. WIATRAK, City Engineer

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

MEMORANDUM

March 17, 1976

ROUTING	DATE	INITIAL
ACTION		
FILE		
INFORMATION		
PATW		
COPS	EHINAEB	

TO: All Board of Public Works Members

FROM: Betty L. McFarlane, Executive Secretary BLM

RE: Signatures on Contracts

Signature of the Department Head should appear on all contracts for consultant services prior to submittal to the Board of Public Works for approval.

BLM:pl

Copy: Consultants

SEATTLE ENG DEPT
MAR 19 8 32 AM '76

B PW

PAUL A. WIA[illegible] CITY ENGINEER

ROUTING	DATE	INITIAL
ACTION		
AEM		
FILE	✓	
INFORMATION		
PAW		

RE: Senate Bill 2143

Board of Public Works
Office of the Executive Secretary

Betty L. McFarlane, Executive Secretary

DEPARTMENTAL ROUTING SLIP 3-17-76
(date)

All Board of Public Works Members
(referred to)

Betty L. McFarlane BLM
(referred by)

____ Please prepare reply for the Executive Secretary's signature on office stationery.

____ Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

X Forwarded for your investigation, report, and recommendation. *

____ Forwarded for your information and files.

____ Other: The attached is my analysis of the Committee's recommendation to the Board of Public Works regarding specifications for projects which will go to bid in compliance with Senate Bill 2143.

*Action requested no later than MARCH 22, 1976
(date)

cc: All Committee Members for S.B. 2143

Orig: Legislation

SEATTLE ENG DEPT
MAR 18 8 38 AM '76

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

March 16, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary *Blm*

Re: Committee on Senate Bill 2143 - 3/8/76 and 3/16/76 Meetings

On State and Federal Projects the Committee recommends that specifications be written to reflect all work being done by contractor. No City forces will do anything, except supervision, unless an emergency exists (such as damage by contractor to known service connections) previously located by Water Department, Lighting, or Engineering. Water, Engineering and Lighting will restore, and cost of restoration will be charged to contractor as an emergency repair.

Unknown water service connections or other utility damage caused by contractor will be restored by Water Department, or Engineering and Lighting; and cost will be absorbed by utility involved, as an emergency repair.

All projects not funded by Federal or State may include alternate bid items for water service connections or other types of special services. Specifications would hold contractors responsible for all health and safety procedures used and whatever may result adversely from their work on the connections. The Water Department recommends that additional liability insurance be required on these water connection installations. It should also be a requirement of the specifications that the contractor's people actually performing the work on connections be certified water control personnel to qualify the contractor on this type of work, due to the health hazards involved. We should put time limits in the specifications for these connections to be made.

The City would do the work with its own forces if the low bidder on the base bid does not bid the alternate, alternate bid is too high (over the Engineer's estimate) or contractor is not qualified. Realistic estimates from departments on the

City's doing the work in these cases, must be on file in the Board Office, prior to bid opening. The Water Department will not serve as a subcontractor to the contractor. There will be no pre-cutting of water services by contractor permitted.

Engineering recommended that separate meetings be held with appropriate departmental and utility personnel prior to point of advertising on the following types of projects:

a. Watermains

b. Undergrounding (City Light, Street Light, and Traffic System)

c. Paving

d. Landscaping

e. Structural (Bridge rehabilitation).

Therefore, each would be written and circulated to all separately with no need for this Committee to exist any longer.

BLM/jw

B.P.W.

PAUL A. WIATRAK, CITY ENGINEER

ROUTING	DATE	INITIAL
ACTION		
REMINDER		
FILE	✓	
INFORMATION		
PAW		

chngd to WEPS/EMW/REB per DR

Board of Public Works
Office of the Executive Secretary

Re: Proposed Construction Management Revisions

Betty L. McFarlane, Executive Secretary

SEATTLE ENG DEPT
MAR 16 8 32 AM '76

DEPARTMENTAL ROUTING SLIP 3/15/76
(date)

All Board Members
(referred to)

Ben
(referred by)

____ Please prepare reply for the Executive Secretary's signature on office stationery.

____ Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

X Forwarded for your investigation, report, and recommendation.

____ Forwarded for your information and files.

____ Other: I would appre-
ciate your comments
on the attached. City
Charter requires that all
public works be made by
contract and let to the lowest
bidder in open
competition. Our
replies should be
consistent with Charter.

*Action requested no later than 3/22/76
(date)

CITY COUNCIL TRANSMITTAL

C. F. # Citizen letter

TO:
Betty MacFarlane, Secretary
Board of Public Works
01-03-03

RECEIVED
MAR 12 3 20 PM '76
SECRETARY
BOARD OF PUBLIC WORKS

Date Sent: 3/10/76

Reply Requested By: 3/24/76

FROM:
Randy Revelle
Seattle City Council
01-11-01

Subject:
February 23, 1976, letter from Richard C. Redman re construction management revisions

ACTION — required

	Review and Return File With Your Answer to Sender
	Review and Answer Petitioner, Return File and Copy of Answer to Sender
XXX	Review and Make Recommendations, Return File and Recommendations to Sender ( ) In Duplicate
	Prepare Legislation and Return File to Sender

Additional Information:

Randy Revelle
Signature

CB-110-5002 CS 20.19

Seattle City Council

RECEIVED
MAR 12 3 19 PM '76
SECRETARY
BOARD OF PUBLIC WORKS

Sam Smith
President of the Council
583-2367

George E. Benson
Chairman
Transportation Committee
583-2357

Tim Hill
Chairman
Finance Committee
583-2356

Paul Kraabel
Chairman
Planning & Urban Development Committee
583-2364

Phyllis Lamphere
Chairman
Intergovernmental Relations Committee
583-2355

Wayne D. Larkin
Chairman
Utilities Committee
583-2358

John R. Miller
Chairman
Parks & Public Grounds Committee
583-2365

Randy Revelle
Chairman
Public Safety & Health Committee
583-2359

Jeanette Williams
Chairman
Human Resources & Judiciary Committee
583-2366

March 8, 1976

Mr. Richard C. Redman
Director of Marketing
Sellen Construction Company, Inc.
223 - 9th Avenue North
Seattle, Washington 98109

Re: Construction Management

Dear Rick:

Thank you for your letter of February 23, 1976, outlining your proposal for changes in the City's process for selecting a general contractor and for the copies of the booklet entitled "Construction Management Guidelines."

I am very interested in the ideas expressed in your letter and the booklet, but I have little knowledge of the subject. Therefore, I am sending copies of your letter to a number of appropriate City Departments for their review and comments. Among the points that should be considered by the Departments are:

(1) Whether your proposals are legal under current Federal, State and local laws. If not, what changes could be made to existing laws to make your proposals legal?

(2) Assuming your proposals are or can be made legal, are they desireable for the City of Seattle? Do they maintain a proper balance between the controls necessary to ensure honest contracting and an efficient system to make best use of the taxpayers' money?

I will contact you within the next month after I receive the Departments' comments on your proposal. Again, thank you for your letter.

Very truly yours,

RANDY REVELLE
Seattle City Councilman

RR:mm:sb

cc: Mayor Wes Uhlman
Members, Seattle City Council
John Harris, Corporation Counsel
Gary Bloomquist, Director, General Services Department
Jack Fearey, Director, Seattle Center Department
Frank Hanson, Chief, Fire Department
Robert L. Hanson, Chief, Seattle Police Department
Walter Hundley, Director, Office of Management and Budget
Ken Lowthian, Superintendent, Water Department
Al Petty, Superintendent, Building Department
Paul Schell, Director, Department of Community Development
David Towne, Superintendent, Parks and Recreation Department
Paul Wiatrak, City Engineer
Woody Wilkinson, Director, Office of Policy Planning
Gordon Vickery, Superintendent, Department of Lighting
Betty MacFarlane, Secretary, Board of Public Works
Lawson Elliott, Executive Director, Historic Seattle Preservation and Development Authority
George Rolfe, Executive Director, Pike Place Market Preservation and Development Authority

SELLEN CONSTRUCTION CO., Inc.
GENERAL CONTRACTORS
228 NINTH AVENUE NORTH
SEATTLE, WASH. 98109
682-7770

RECEIVED
FEB 24 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

February 23, 1976

Mr. Randy Revelle, Councilman
Seattle City Council
1106 Seattle Municipal Building
Seattle, Washington 98104

Dear Randy:

Pursuant to our conversations in January, I am writing to clarify some of the ideas and questions I have regarding the City of Seattle's use of the traditional methods of selecting a General Contractor for their building projects. As you will remember, I related these traditional methods to trends within the construction industry, in both the private and public sectors, that warrant a thorough investigation into the concepts of construction management, negotiated contracts, and possibly the use of fast track construction.

Many governmental agencies as well as county and municipal officials around the country are already selecting or giving serious consideration to the use of these methods where public funding is involved. There are obviously certain types of construction projects where these methods are more beneficial than others. As I mentioned, this negotiated or construction management approach would best serve the spending of public funds in new building projects and rehabilitation projects of older facilities.

My question to you was this: "In order to more efficiently use the public funds for construction, is it possible for the City to arrive at a system of negotiating some of these projects with a General Contractor who would be involved in the project from the beginning?" In being part of the team early the Contractor would: 1. establish a preliminary budget that he knows he can meet, 2. work with the Architect and make structural and system suggestions that would keep the project within budget, 3. develop a schedule for the project that would make the concept a reality in the shortest period of time as well as one he can meet, 4. and, finally, provide the City with a Guaranteed Maximum that would put a ceiling on spending for the project.

The traditional argument regarding total competition on projects that involve the use of public funds certainly seems valid. However, it has been our experience on projects that we have negotiated in the private sector that the General Contractor will still have competitive bidding on approximately 85% of the project. In waiving total open competition on the remaining 15%, the City would have a Contractor on board who would have the expertise to supply valuable information regarding timing, job organization, scheduling, construction systems and materials as they relate to costs throught the development of the project. The use of this method would make plan development and construction time as well as final cost projections much more predictable.

With inflation in our industry increasing at a rate of approximately 1% per month, a project that takes three to six months extra using the traditional approach is not necessarily providing the public the most for their money. A qualified Contractor with experience in the construction management approach should be able to save an Owner 3% to 8% depending on the scope of the project.

Seattle is fortunate to have a number of Contractors with the expertise in this approach to construction projects, and I would think that if the City is interested in the most efficient use of public funds and in seeing projects completed months ahead of projects that are put out for competitive bids, that this new construction management approach would certainly be worth looking into.

I would be interested in hearing any remarks you or others involved in the various City projects might have regarding this approach.

I look forward to hearing from you.

Very truly yours,

SELLEN CONSTRUCTION CO., INC.

Richard C. Redman

Richard C. Redman
Director of Marketing

RCR:ls

CITY COUNCIL TRANSMITTAL

C. F. # Citizen letter

TO: Paul Wiatrak, City Engineer
01-09-01

Date Sent: 3/10/76

Reply Requested By: 3/24/76

Subject: February 23, 1976, letter from Richard C. Redman re construction management revisions (Sellen Constr Co, Inc)

FROM: Randy Revelle
Seattle City Council
01-11-01

ACTION — required

	Review and Return File With Your Answer to Sender
	Review and Answer Petitioner, Return File and Copy of Answer to Sender
XXX	Review and Make Recommendations, Return File and Recommendations to Sender ( ) In Duplicate
	Prepare Legislation and Return File to Sender

SEATTLE ENG DEPT
MAR 15 8 30 AM '76

ROUTING	DATE	INITIAL
ACTION		
att AEM/DR		
	✓	
INFORMATION		
Okee Pete		

Additional Information:

BPW

Randy Revelle
Signature

LDI – 110–5002 CS 20.19

Seattle City Council

Sam Smith
President of the Council
583-2367

George E. Benson
Chairman
Transportation
Committee
583-2357

Tim Hill
Chairman
Finance Committee
583-2356

Paul Kraabel
Chairman
Planning & Urban
Development Committee
583-2364

Phyllis Lamphere
Chairman
Intergovernmental
Relations Committee
583-2355

Wayne D. Larkin
Chairman
Utilities Committee
583-2358

John R. Miller
Chairman
Parks & Public
Grounds Committee
583-2365

Randy Revelle
Chairman
Public Safety &
Health Committee
583-2359

Jeanette Williams
Chairman
Human Resources &
Judiciary Committee
583-2366

March 8, 1976

Mr. Richard C. Redman
Director of Marketing
Sellen Construction Company, Inc.
223 - 9th Avenue North
Seattle, Washington 98109

Re: Construction Management

Dear Rick:

Thank you for your letter of February 23, 1976, outlining your proposal for changes in the City's process for selecting a general contractor and for the copies of the booklet entitled "Construction Management Guidelines."

I am very interested in the ideas expressed in your letter and the booklet, but I have little knowledge of the subject. Therefore, I am sending copies of your letter to a number of appropriate City Departments for their review and comments. Among the points that should be considered by the Departments are:

(1) Whether your proposals are legal under current Federal, State and local laws. If not, what changes could be made to existing laws to make your proposals legal?

(2) Assuming your proposals are or can be made legal, are they desireable for the City of Seattle? Do they maintain a proper balance between the controls necessary to ensure honest contracting and an efficient system to make best use of the taxpayers' money?

Eleventh Floor, Municipal Building, Seattle, Washington 98104

I will contact you within the next month after I receive the Departments' comments on your proposal. Again, thank you for your letter.

Very truly yours,

RANDY REVELLE
Seattle City Councilman

RR:mm:sb

cc: Mayor Wes Uhlman
Members, Seattle City Council
John Harris, Corporation Counsel
Gary Bloomquist, Director, General Services Department
Jack Fearey, Director, Seattle Center Department
Frank Hanson, Chief, Fire Department
Robert L. Hanson, Chief, Seattle Police Department
Walter Hundley, Director, Office of Management and Budget
Ken Lowthian, Superintendent, Water Department
Al Petty, Superintendent, Building Department
Paul Schell, Director, Department of Community Development
David Towne, Superintendent, Parks and Recreation Department
Paul Wiatrak, City Engineer
Woody Wilkinson, Director, Office of Policy Planning
Gordon Vickery, Superintendent, Department of Lighting
Betty MacFarlane, Secretary, Board of Public Works
Lawson Elliott, Executive Director, Historic Seattle Preservation and Development Authority
George Rolfe, Executive Director, Pike Place Market Preservation and Development Authority

SELLEN CONSTRUCTION CO., Inc.
GENERAL CONTRACTORS
228 NINTH AVENUE NORTH
SEATTLE, WASH. 98109
682-7770

RECEIVED
FEB 24 1976
RANDY REVELLE
SEATTLE CITY COUNCILMAN

February 23, 1976

Mr. Randy Revelle, Councilman
Seattle City Council
1106 Seattle Municipal Building
Seattle, Washington 98104

Dear Randy:

Pursuant to our conversations in January, I am writing to clarify some of the ideas and questions I have regarding the City of Seattle's use of the traditional methods of selecting a General Contractor for their building projects. As you will remember, I related these traditional methods to trends within the construction industry, in both the private and public sectors, that warrant a thorough investigation into the concepts of construction management, negotiated contracts, and possibly the use of fast track construction.

Many governmental agencies as well as county and municipal officials around the country are already selecting or giving serious consideration to the use of these methods where public funding is involved. There are obviously certain types of construction projects where these methods are more beneficial than others. As I mentioned, this negotiated or construction management approach would best serve the spending of public funds in new building projects and rehabilitation projects of older facilities.

My question to you was this: "In order to more efficiently use the public funds for construction, is it possible for the City to arrive at a system of negotiating some of these projects with a General Contractor who would be involved in the project from the beginning?" In being part of the team early the Contractor would: 1. establish a preliminary budget that he knows he can meet, 2. work with the Architect and make structural and system suggestions that would keep the project within budget, 3. develop a schedule for the project that would make the concept a reality in the shortest period of time as well as one he can meet, 4. and, finally, provide the City with a Guaranteed Maximum that would put a ceiling on spending for the project.

The traditional argument regarding total competition on projects that involve the use of public funds certainly seems valid. However, it has been our experience on projects that we have negotiated in the private sector that the General Contractor will still have competitive bidding on approximately 85% of the project. In waiving total open competition on the remaining 15%, the City would have a Contractor on board who would have the expertise to supply valuable information regarding timing, job organization, scheduling, construction systems and materials as they relate to costs throught the development of the project. The use of this method would make plan development and construction time as well as final cost projections much more predictable.

With inflation in our industry increasing at a rate of approximately 1% per month, a project that takes three to six months extra using the traditional approach is not necessarily providing the public the most for their money. A qualified Contractor with experience in the construction management approach should be able to save an Owner 3% to 8% depending on the scope of the project.

Seattle is fortunate to have a number of Contractors with the expertise in this approach to construction projects, and I would think that if the City is interested in the most efficient use of public funds and in seeing projects completed months ahead of projects that are put out for competitive bids, that this new construction management approach would certainly be worth looking into.

I would be interested in hearing any remarks you or others involved in the various City projects might have regarding this approach.

I look forward to hearing from you.

Very truly yours,

SELLEN CONSTRUCTION CO., INC.

Richard C. Redman

Richard C. Redman
Director of Marketing

RCR:ls

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

March 4, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary

Re: Committee on Senate Bill 2143 -
1:00 p.m., Room 303 - March 8, 1976

The above Committee will meet in Room 303 Seattle Municipal Building on Monday, March 8, 1976, at 1:00 p.m., to discuss further Senate Bill 2143.

The Board of Public Works received the recommendation of the Committee dated March 2 (attached) at its regular meeting March 3. The Board moved to ask the Committee to put together sample specs which would specify in the bid document that any breaks of underground utilities or water services caused by the contractor will be repaired on an emergency basis by the Water or Lighting Department and there will be no pre-cutting of water services by contractor permitted. Contractor will bear the cost of repairing facilities in these cases. Meter adjustments and temporary line services should be made an alternate bid item, substantially the same as in the Committee's recommendation of March 2.

BLM/jw

Att.

cc: All Committee Members

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
MEC	TAW	
AEM	LK	PNS

SEATTLE ENG DEPT
MAR 5 9 18 AM '76

Orig Copy: Legislation

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

March 2, 1976

To: Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Senate Bill 2143 Meeting -
9:00 a.m., Room 304 - March 1, 1976

Attendance:

Betty L. McFarlane - Board of Public Works
Mike Lindblom - Water Department
Ken Kiesel - Water Department
Bob Stuart - Engineering Department
Len Koski - Engineering Department
Arthur E. Maronek - Engineering Department
Bob Snyder - Building Department
Dean Sundquist - Lighting Department

As requested by the Board of Public Works, in regular session February 25, 1976, the above Committee discussed methods of putting together specifications, taking into consideration Senate Bill 2143.

The Committee recommends to the Board of Public Works that Water Department service connections and other types of special services be separate alternates to the bid proposal. The specifications for water connections should require that the contractor be responsible for all health and safety procedures used and whatever may result adversely from their work on the connections. The Water Department recommends that additional liability insurance be required on these water connection installations. It should also be a requirement of the specifications that the contractor's people actually performing the work on connections be certified water control personnel to qualify the contractor on this type of work, due to the health hazards involved. We should put time limits in the specifications for these connections to be made.

The City would do the work with its own forces if the low bidder on the base bid does not bid the alternate, alternate bid is too high (over the Engineer's estimate) or contractor is not qualified. Realistic estimates must be on file in the Board Office, prior to bid opening. The City will be bound to do work within its estimate when contractor (for above reasons) does not get the work. The Water Department will not serve as a subcontractor to the contractor.

As a sample, the Engineering Department will submit specifications for South Concord Street by Sanitary Sewers and include alternates for the Board's review and approval. This should be ready for the Board in the next couple of weeks.

In the meantime, it is suggested that any other projects which have specifications including work by City forces and which have not gone to bid or been awarded, should be held for re-writing in accordance with the Board's direction on the above procedures.

BLM/jw

cc: All Attendees

BOARD OF PUBLIC WORKS
Date 3/9/76
Approved
Filed
Copy to Sec of Whole
Resolution or Communication
Acct
Copy to Pres
Copy to Dir
Copy to Atty

Bd of Public Works

ASSISTANT CORPORATION COUNSEL

JAMES M. TAYLOR
GORDON F. CRANDALL
G. GRANT WILCOX
THOMAS J. WETZEL
ARTHUR T. LANE
CHARLES R. NELSON
LAWRENCE K. MCDONELL
J. ROGER NOWELL
JORGEN G. BADER
E. NEAL KING
JAMES B. HOWE, JR.
DONALD H. STOUT
MYRON L. CORNELIUS
PHILIP M. KING
RICHARD E. MANN
RICHARD S. OETTINGER
JAMES G. BLAIR
W. FREDERICK GREENLEE
WALTER L. WILLIAMS
ELIZABETH A. HUNEKE
CHARLES D. BROWN
DONA M. CLOUD

THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING • SEATTLE, WASHINGTON 98104
AREA CODE 206 TELEPHONE 583-2304

JOHN P. HARRIS, CORPORATION COUNSEL

CITY PROSECUTORS
ROBERT M. ELIAS
JACK B. REGAN
ROBERT B. JOHNSON
JOSEPH T. SCHLOSSER
ROSS A. RADLEY

CLAIMS MANAGER
V. L. PORTER

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
AEH/LK/EWK		
BPW		

SEATTLE ENG DEPT
MAR 1 8 49 AM '76

February 27, 1976

Mr. Paul A. Wiatrak, P.E.
City Engineer
The City of Seattle

Dear Sir:

By letter dated December 16, 1975 you transmitted a proposed second revision of Section 8.08 of the Standard Plans and Specifications (9th Ed.) relating to liquidated damages for failure to complete contract work on time, and you ask that we review the same prior to its submission to the Board of Public Works.

We have revised the proposed section to conform the same to our letter to former City Engineer Robert J. Gulino, dated February 22, 1974 and the recent decision of S. L. Rowland Construction Co. v. Beale Pipe and Tank Corporation, 14 Wn. App. 297 (1975), and such revision is transmitted herewith.

As proposed, the provision for liquidated damages is optional and is activated by providing therefor in the Special Provisions, and in each case the City must determine whether it is appropriate to provide for liquidated damages for delay and the appropriate amount of damages to be assessed.

Yours very truly,

JOHN P. HARRIS
Corporation Counsel

By Gordon F. Crandall

GORDON F. CRANDALL
Assistant

GFC:klm
Encl:

CC to: Stnd Plans/Specs

FAILURE TO COMPLETE WORK ON TIME

LIQUIDATED DAMAGES

Section 8.08 shall be amended to read:

Time for completion of the work as provided by the contract is agreed to have been sufficiently advanced to allow resulting benefit to the Contractor from earlier completion of the work. Time is of the essence of the contract. Delay in the prosecution of the work may inconvenience the citizens of Seattle and may be expensive to them and to the City.

It may be impossible or extremely difficult to ascertain and determine the actual damages suffered by the City as a result of such delays. However, there usually are definite costs to the City resulting from delay, such as continuing administrative inspection and engineering costs, cost of maintaining the contract as an active item of City business for a longer period of time, delay to the traveling public, loss of benefits to the public through the use of the facility between the time of scheduled completion and the actual completion time, prolonged health hazards, interference with and delay of business and commerce, or risks of harm to persons or property of the citizens of Seattle or the City for a longer period of time.

If it is indicated in the Special Provisions that (a) the harm that will be caused by delay is incapable or very difficult of accurate estimation, and (b) an amount fixed therein is a reasonable forecast of just compensation for the harm caused by the delay, the Contractor agrees to pay and authorizes and directs the Owner to deduct from any money due or to become due the Contractor the amount set

forth in the Special Provisions for each and every working day beyond the contract completion date. The Contractor further agrees that any such deductions shall not in any way release the Contractor from further obligations and liabilities in respect to the performance of the entire contract.

Contractor by executing this contract agrees that the amount set forth in the Special Provisions is a reasonable estimate of actual damages which would be caused by the failure to complete the work on time, and that the amount indicated is for liquidated damages and is not a penalty.

Liquidated damages or other damages for delay will not be assessed against the Contractor for any days for which an extension of time is granted. Further, when the contract work is determined by the Engineer to be completed to the extent that the City has full and unrestricted use and benefit of the facilities constructed by the Contractor, from both an operational and safety standpoint, and only minor incidental work, and/or replacement of temporary substitute facilities, or correction or repair remains to complete the total contract, the Engineer shall so notify the Contractor in writing. Thereafter, liquidated damages as set forth in the Special Provisions shall not be paid or deducted, but damages for delay will be assessed on the basis of actual Engineering expenses, any extra interest on warrants or bonds, and related costs actually incurred and assignable to the project during that calendar period of time.

The Contractor shall pursue completion of the remaining work with all reasonable diligence and shall furnish a written schedule for final completion of the contract upon written request from the Engineer.

BPW

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

MEMORANDUM

February 25, 1976

ROUTING	DATE	INITIAL
ACTION		
ASM	LA	
FILE		
INFORMATION		
WS	DS	
JC	R	

TO: All Board of Public Works Members

FROM: Betty L. McFarlane, Executive Secretary BLM

RE: Senate Bill 2143

The attached draft was presented to the Board of Public Works for consideration in regular session today. After reviewing same, the Board directed that a committee made up of representatives from each Board Department be put together to discuss implementation as suggested in the draft.

There should be a recommendation to the Board within one week detailing the specifics of how to put together specifications which will answer the needs of the City and Senate Bill 2143.

Please advise all representatives to meet in Room 304 Monday, March 1, 1976, at 9:00 a.m. Recommendations should be made in writing to the Board by the Chairman of the committee.

BLM:pl

Attachment

SEATTLE ENG DEPT
FEB 26 9 10 AM '76

Orig Copy: Legislation

D R A F T

Meeting - SB 2143 February 20, 1976

Attended by: John Harris
Paul Wiatrak
James Taylor
Kenneth M. Lowthian
W. E. P. Smith
Betty L. McFarlane

When drafting specifications for public works projects, departments should isolate certain areas of work which will require special conditions, expertise, etc. Make them a separate bid item or alternate within the project specifications.

Due to health concerns, alternates will be set forth in bid documents to cover work on water service connections. Contractors will hold City harmless and be responsible for health and all safety measures taken in these types of service connections. The specifications will indicate expertise required. The City will do the work if the contractor does not bid on alternate or is determined to be unqualified to do the work.

Chapter 35.43.190, State L.I.D. provisions, remain in force. Bids over 10 percent of the estimate may be rejected and work done with City's own forces or readvertised.

Departments should continue to document problems and increases in costs so that there will be justification to ask the Legislature for amendment of the Bill.

Contracts already awarded will remain as is. All State-funded projects will be contracted out on a competitive bid basis, with no work done by City.

BOARD OF PUBLIC WORKS
Date 2-25-76
Approved
Denied
Committee of Whole
Referred
Other

Departments should adequately supervise contractors' work, especially in the area of special work, i.e., removal and reinstallation of parking meters, water service connections, signal adjustments, etc.

NOTE: The Board should, today, take action on directing its five board departments relative to S.B. 2143 and its application.

Departments should draft amendments which could be considered in rewriting the Bill.

BPW

Board of Public Works
Office of the Executive Secretary

Betty L. McFarlane, Executive Secretary

TO: PAUL A. WIATRAK,
City Engineer

DEPARTMENTAL ROUTING SLIP 2/19/76
(date)

All Board of Public Works Members
(referred to)

Betty L. McFarlane
(referred by)

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PAW		
WEPG		
JGB	CTY	
WGV		
AEH		
PMB		

_____ Please prepare reply for the Executive Secretary's signature on office stationery.

_____ Please reply to the attached letter for the Executive Secretary showing a copy to the Executive Secretary.

_____ Forwarded for your investigation, report, and recommendation.

X Forwarded for your information and files.

_____ Other: _____

*Action requested no later than _____
(date)

SEATTLE CITY CLERK
FEB 23 8 32 AM '76

Your City, Seattle

Memorandum

Date February 10, 1976

RECEIVED FEB 17 SECRETARY BOARD OF PUBLIC WORKS

To P. A. Wiatrak, P.E., City Engineer

From W. G. van Gelder, P.E., City Traffic Engineer

Subject Memo by W.E.P. Smith Re: SB 2143

As you know, Mr. Smith issued a memorandum dated December 3, 1975 in which he indicated that any work done on projects in excess of $10,000 total cost must be done by contract labor rather than by City forces. There are a couple of new facets which I believe should be considered prior to implementing the policy of no City force work on projects exceeding $10,000.

First, is the difficulty relative to parking meter removals, installations and/or modifications on construction projects. As you know, projects such as sidewalk replacement, street widening, etc., require the removal and reinstallation of parking meters. This work is rarely a large cost item compared to a total contract. In order to do this work, it is necessary to open the existing meters in the coin compartment area to remove the meter head from the post. Likewise, it is necessary to open the meter to install the head onto the post. To do this type of work requires proper keys, the security of which cannot be over stressed in order to avoid meter thefts at all locations in the City. In following the suggested procedures, keys would be issued to contractors, and they would be opening meters containing funds. This obviously becomes an extremely undesirable situation.

Second, we have talked to the State Aid Engineer for the Washington State Department of Highways District I, as well as other members of the Highway Department staff, and found that the Highway Department, is, and has been for many years, operated under a similar financial restriction on contract work. They, however, do substantial amounts of State force work on jobs when it is not in the best interest of the project to contract the work. Examples of work which they mentioned were striping, signing, signal adjustments, and minor construction of signal equipment to accomodate ongoing projects. These are the types of things which will be virtually impossible for us to plan and allow contractors to do during construction.

In light of the discussion which we had at our M-Staff meeting on February 10, 1976 we will continue to do all parking meter work on all projects as a service to the project. In addition, it was my understanding that Mr. Smith would further pursue the way in which the Highway Department accomplishes force account work on their projects which exceed $15,000.

BWF:bjr

cc: J. G. Ralph
W.E.P. Smith
C. T. Murray
Mrs. Betty MacFarlane,
Board of Public Works

Orig: Legislation

Mr Smith says [illegible] 2/17/76

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE
BOARD OF PUBLIC WORKS
DEPARTMENT

MEMORANDUM

February 9, 1976

To: R. W. Wilkinson, Director, Office of Policy Planning

Attention: Land Washburn

From: Betty L. McFarlane, Executive Secretary

Re: HB425

We are concerned with the proposed change in Section 4 Chapter 63 Laws of 1945 as amended by Section 3 Chapter 133 Laws of 1965 Ex Session and RCW 39.12.040 and the New Section, Sec. 2.

In the new Section (Sec. 2), we note that the responsibility for failure to comply with conditions of the law is placed on the owner. These circumstances and conditions would hold the City liable for the contractors' failure to pay claims.

At present time, the City holds the prime contractor responsible for performance of all phases of the contract and retained percentages are withheld by State law to allow for payment of claims made within thirty days after acceptance of contract. The City is held harmless under Sec. 3.07C of the Standard Specs and we believe this must be retained. We are opposed to above Bill and the position of liability which would be placed on the City if this were passed.

BLM:EJH:jk

cc: Board of Public Works Members
City Comptroller

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
GEN	DR	
WSPS		
	LY	

Orig Copy: Legislation

BPW

TO: PAUL A. WIATRAK, City Engineer

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

MEMORANDUM

January 30, 1976

ROUTING	DATE	INITIAL
ACTION		
WEPS		
FILE	✓	
INFORMATION		
JGR	DWA	
AEM	DR	

TO: All Board of Public Works Members

FROM: Betty L. McFarlane, Executive Secretary

SUBJECT: Senate Bill No. 2143

The Board of Public Works, in regular session January 28, 1976, discussed the above bill with an Assistant Corporation Counsel. It was determined that there are questions regarding interpretation of the Bill, and, under the circumstances, we will need clarification. It seems there is a question as to whether City Light is exempt or not. The word "solely" may be limiting the exemption a great deal. The Board needs specifics and documentation of how this Bill affects us manpower-wise and dollar-wise. City Light should provide estimate on 7 or 8 of NIP Lighting projects they were going to do with their own forces. What will the dollar amount of increase be to go to bid? Can we do it cheaper with our own forces?

The Board requested that all Departments document the effects of this Bill on their operations so that we can present the material to the legislature to either amend the Bill or to have it repealed. The reports from Departments are due in to the Board of Public Works office February 9, 1976, for submittal to the Board on February 11. The Board may then request legal interpretation of the Bill as it relates to the types of work we have been doing with our own crews, exemptions and emergency work.

BLM:pl

Orig: Legislation

SEATTLE CITY LIGHT
FEB 3 8 05 AM '76

BPW

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

WES UHLMAN, MAYOR

BOARD OF PUBLIC WORKS DEPARTMENT

BETTY L. McFARLANE, EXECUTIVE SECRETARY

303 Seattle Municipal Building • Seattle, Washington 98104 • 583-2040

BOARD OF PUBLIC WORKS
DAVID L. TOWNE, Chairman
Supt. of Parks and Recreation
PAUL A. WIATRAK, City Engineer
KENNETH M. LOWTHIAN, Supt. of Water
ALFRED PETTY, Supt. of Buildings
GORDON VICKERY, Supt. of Lighting

Re: Appointment of Chairman of the Board of Public Works - 1976

January 28, 1976

TO: All Department Heads

We are happy to announce that the Mayor has appointed Paul A. Wiatrak, City Engineer, to serve as Chairman of the Board of Public Works for 1976. The Board has elected Kenneth M. Lowthian as Vice-Chairman.

To facilitate the flow of work, please continue to address all material for Board of Public Works review and action to the Executive Secretary of the Board, Room 303, Seattle Municipal Building, for presentation to the Board.

Contracts and other documents should include a signature line for the Chairman and Executive Secretary without typing in names of individuals.

Thank you.

Yours very truly,

BOARD OF PUBLIC WORKS

Betty L. McFarlane

Betty L. McFarlane
Executive Secretary

BLM/jw

ROUTING	DATE	INITIAL
ACTION		
	✓	
FILE		
INFORMATION		
~~PAW~~		
PMB		
WEPS		
JGR		
WGV		
AEH		

FEB 2 8 24 AM '76
SEATTLE ENG DEPT

B PW

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
PWB/ATM		

Paul
John
BB

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

January 8, 1976

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary BLM

Re: Deadlines for submitting Public Works advertising to the Board of Public Works

As you are aware, the Charter requires a minimum of 5 days' publication on calls for bids for public works projects, and a 4-day period elapsing before bid opening--with the exception of L.I.D.'s which, by Ordinance, require a 10-day advertising period.

To meet Daily Journal of Commerce printing deadlines, please plan your bid openings to meet the Charter-and-Ordinance-required time periods and Board of Public Works' submittal dates, as follows:

1. All publications to start on a weekday, Monday through Friday, must be in to the Board Office by 3:00 p.m. of the working day preceding desired first day of publication;

2. Publications to start on a Saturday must be in to the Board Office by 3:00 p.m. of the preceding Thursday, or the ad(s) will be placed the following Monday;

3. If Thursday or Friday is a non-working day for the Board of Public Works personnel, the deadlines will be the preceding workdays at 3:00 p.m., depending upon when you wish an ad to appear the first time, Saturday or Monday.

We appreciate your cooperation in meeting these deadlines.

BLM/jw
cc: Daily Journal of Commerce
A. Madsen, Engineering
D. C. Sundquist, Lighting
R. Strang, Building
E. Hennebry, Building
J. Tiemeyer, Parks and Recreation
E. Larson, Parks and Recreation
W. Rashkov, Water
N. Sanders, Human Rights
R. L. Snyder, Building

SEATTLE ENG DEPT
JAN 9 11 36 AM '76

BDW,

ROUTING	DATE	INITIAL
ACTION		
FILE	✓	
INFORMATION		
~~PAW~~		
~~PJB~~	ADM	

PAUL A. WIATRAK, CITY ENGINEER

THE CITY OF SEATTLE

BOARD OF PUBLIC WORKS

DEPARTMENT

M E M O R A N D U M

January 8, 1976

SEATTLE, WA. JAN 9 11 35 AM '76

To: All Board of Public Works Members

From: Betty L. McFarlane, Executive Secretary *Blm*

Re: Supplemental Agreements, etc.

Attached are Pages 58, 59 and 59(a) from the Board's Policy book, which "spell out" procedures for extensions of time, acceptance of contracts, and outline when a supplemental agreement is desirable. The supplemental agreement (or contract) is used if a department wishes to have a project accepted as complete, but minor items remain to be done for which a "hold-out" is required or maintenance is a part of the initial contract but must be accomplished at a later date.

A "hold-out" is the amount of money retained by the City to pay the contractor after a certain list of work, landscaping, or maintenance activity is accomplished under a supplemental contract. This amount is noted on the supplemental agreement, along with the date for completion and identification of work to be done. No "hold-out," of course, should be made at completion of a contract unless a supplemental agreement is attached to the acceptance letter to the Board of Public Works.

All specifications for public works require a contractor's conformance with State, Charter, City Ordinances and Standard Specifications for Municipal Public Works. The contractor and/or his Surety is responsible for the work up to one year after acceptance of the project by the City. Extensions of time and supplemental agreements all have Surety's approval and this Office makes sure that a contractor's insurance covers the extra work, hold-out items, or maintenance activity.

Everyone has been following this procedure and it has worked very well; however, it would aid us in keeping our records if one more step is added: We would appreciate being notified when the supplemental agreement has been completed and final "hold-out" payment is made to the contractor.

BLM/jw

Orig: Policy & Procedure System

Attachments

cc: A. Madsen, Engrg.
D. C. Sundquist, Lighting
R. Strang, Building
E. Hennebry, Building
J. Tiemeyer, Parks
E. Larson, Parks
W. Rashkov, Water
N. Sanders, Human Rights
R. L. Snyder, Building

such improvement, shall be subject to all the provisions respecting workmen, orders, rates and payments of wages, hours of labor, and all other provisions regarding employees herein specified.

The contractor alone, subject to the provisions of his surety bond, shall be held responsible for the full and faithful performance of the contract.

Extension of time - The Extension of Time form shall be used during the contract on each occasion where an extension is warranted, and is to be agreed upon by:

1. The contractor
2. The inspectors
3. Department supervisor
4. Contractor's bondsman

and will be added to the final extension request to the Board of Public Works.

Request for time extensions will be "calendar" days for the period, unless otherwise specified by the Board department.

To provide factual evidence to support a request for an extension of time at a later date, if needed, the Record of Contract Delays form shall be executed in triplicate within 48 hours after the end of a delay or "shut down"; with original copy being filed with the District Engineer, the first copy retained by the contractor, and the second copy for the Field Engineer. No request for an extension of time will be recommended for approval by the City Engineer unless accompanied by such evidence of delays as provided for on said form. The weight of the evidence submitted and its bearing or relation to the completion of the improvement shall be determined by the Board of Public Works and shall be used by them to arrive at a just decision.

The office of the Secretary shall, subsequent to Board action on the request for extension of time, complete written notice to the City Comptroller, the contractor and the department head involved.

In the event of delays in the performance of the contract and to provide factual evidence to support a request for an extension of time at a later date if needed, the contractor shall submit to the City Engineer a RECORD OF CONTRACT DELAYS form for each delay in accordance with the instructions contained thereon. The form will be furnished by the City and is available from the field engineer. The number of days of delay and the number of days of extension of

time requested shall be based on "working" days. The execution of "Record of Contract Delays" by the contractor does not imply that an extension of time will be granted. The granting of the extension of time will be determined by the Board of Public Works when a formal application for an extension is submitted by the contractor.

When in the judgment of the department "Unfavorable weather" would warrant the granting of a suspension order, the department should issue to the Contractor a written order to suspend work wholly or on any part of the contract until conditions are again favorable for the prosecution of the work. All other reasons for extensions of time are to be presented to the Board of Public Works for official approval. It is important that the record of the contract delays for this reason be kept by the Project Engineer and be available for review.

In the event that the contract is substantially complete but certain work remains to be done that can be more satisfactorily completed at a later date, then the contract should be accepted as complete and a "Supplemental Contract Agreement" should be consummated.

Supplemental Contract Agreements for above or Extra Work - Each "Supplemental Contract Agreement" should specify the number of working days the contractor will be allowed to do the extra work. This will obviate any disagreement with the contractor if an extension of time proves necessary.

Acceptance of Contract - A contract, to be accepted as complete, must have such acceptance requested by the appropriate department head in writing. The request for acceptance is submitted to the Executive Secretary of the Board. Acceptance means that no further work is required, or further materials needed. If it is desired to accept the contract, and all work is not complete, then the "Supplemental Contract Agreement" described above should be submitted with the request for acceptance of contract.

TERMINOLOGY

(See Pages 58 & 59) Extension of Time

Expiration date - date contract is scheduled for completion.

Completion date - date contract is actually completed, reflecting extension of time if applicable.

Termination date - signifies that contract is being terminated, as substantially complete but work remains that could better be completed at a later date, such as maintenance, landscaping, etc.

A "supplemental contract" should be attached to acceptance letter if project is to be accepted as complete. Letter should indicate holdout and for what reason.

Reasons for extensions should be valid.

Too many extensions have been requested.

Important to tighten up the ground rules for an acceptable extension.

Keep a good record of contract delays and when project is completed,

Submit extension of time request with acceptance letter. The Board will determine if the extension is warranted by the information provided.