

**FORT WORDEN PUBLIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 15-__**

**A RESOLUTION REGARDING THE MASTER POLICY DIRECTIVE ON THE
ADMINISTRATIVE AUTHORITY OF THE EXECUTIVE DIRECTOR.**

WHEREAS, pursuant to provisions of Article VIII, Section 4, "Administration", Charter of the Fort Worden Public Development Authority (FWPDA), the Board of Directors is authorized to delegate to the managing official of the FWPDA such administrative powers and duties as it may deem proper for the efficient and proper management of FWPDA operations; and

WHEREAS, the Board of Directors finds that certain day-to-day FWPDA operations can function more efficiently under the administrative direction of the FWPDA Executive Director; and

WHEREAS, the Board of Directors now wish to provide a master policy directive on administrative authority of the Executive Director.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FORT WORDEN PUBLIC DEVELOPMENT AUTHORITY (FWPDA):

That the master policy directive of the Board of Directors of the FWPDA, as set forth in Exhibit "A" attached to this resolution and by this reference incorporated herein, is adopted for the purpose of establishing the administrative authority of the Executive Director.

That inasmuch as state law requires that this authority be renewed from time to time, the Board of Directors is authorized to accomplish the same by motion, provided, however, that in the event that this authority is amended in any fashion or repealed, such amendment or repeal must be by resolution or passed by the Board.

ADOPTED by a majority of members of the Board of Directors of the FWPDA at a regular meeting held on the 28th day of January 2015, a majority of the members being present and voting on this resolution and signed by its Acting President under the official seal of said Board in authentication of its passage.

Chairperson, Board of Directors
Fort Worden Public Development Authority

**FORT WORDEN PUBLIC DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS POLICY DIRECTIVE ON
ADMINISTRATIVE AUTHORITY OF EXECUTIVE DIRECTOR**

INTRODUCTION

The following policy is adopted by the Board of the Fort Worden Public Development Authority (FWPDA) for the purpose of establishing and delineating the administrative authority of the Executive Director.

This policy directive does not address acquisition, sale or other disposition of real property. The Executive Director, or his or her designee, is authorized to implement the following FWPDA policies:

GENERAL POLICIES

1. Administrative Authority of Executive Director
2. Code of Ethics
3. Document Retention
4. Whistleblower Protection
5. Succession to the Authority of the Executive Director

PROPERTY MATTERS

6. Executive Director's Authority for Property Acquisitions
7. Real Property Rentals
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a. POLICY ON ADMINISTRATIVE AUTHORITY OF EXECUTIVE DIRECTOR

The Executive Director may delegate to appropriate personnel such administrative authority as is deemed necessary and advisable in the efficient exercise of such authority, consistent with the FWPDA Charter, its Bylaws, its Operating Agreement with the City of Port Townsend, and its adopted policies and procedures. In the regular day-to-day business of the FWPDA, such authority may extend to purchasing, leasing, exchanging, improving, using or otherwise transferring real or personal property or any interests therein; granting or acquiring options; and contracting regarding the income or receipts from real property; the performance of routine maintenance and repairs with respect to the FWPDA's physical and or leased properties; the conduct of financial and legal matters as they relate to the FWPDA's day-to-day operation; and the performance of necessary incidental services in connection with the business, herein specified, including, without limitation, administrative, clerical, and professional work.

b. CODE OF ETHICS (Adopted ____, 20__).

The FWPDA adopted the City of Port Townsend's Code of Ethics. The Code of Ethics previously adopted is affirmed, and shall be inserted here with these Policies.

c. DOCUMENT RETENTION POLICY

a. Scope And Purpose

This document retention policy (the "Policy") is a plan for the retention and preservation of documents necessary to the FWPDA's business and the systematic destruction of all outdated, useless documents within legal requirements and after a reasonable period of time. This policy shall apply to each and every Document (defined below) belonging to the FWPDA.

The primary reasons for having a document retention policy are (1) compliance with the law regarding retention of data; (2) the efficient organization of information useful to FWPDA personnel in the performance of their jobs; (3) the efficient and cost-effective use of paper and electronic storage space; (4) the orderly retention and appropriate archiving of historically significant documents and materials; and (5) assistance with the bringing and defending of potential legal investigations or actions.

Implementation of and compliance with the Policy are essential to its effectiveness. Haphazard or selective implementation exposes the FWPDA to significant legal risks. Therefore, EVERYONE must understand, and cooperate in the implementation and enforcement of, the Policy.

b. Objectives

The objectives of this Policy are:

- The retention of documents for as long as needed for normal business operations.
- The retention of documents for as long as required by law, including both federal and state regulations.

- The retention of some identified documents on a permanent basis.
 - The retention of documents in the most economical and least duplicative manner possible to achieve these objectives.
 - The creation of a framework and system for implementing this policy that permits compliance at all levels of the FWPDA.

c. Definitions

The term “Document” refers to any information-containing media in any physical form made or received by the FWPDA in the ordinary course of its business, including but not limited to papers, copies, drafts, bound records, drawings, maps, photographs, electronic communications (stored on any type of storage device), microfilm, cards, drawings, tapes, discs, and any other physical entity containing information. The term Document expressly includes any and all copies or originals taken, moved, or sent off of the business premises including, but not limited to, any of the foregoing information- containing media stored at your home.

“Document Custodians” refers to individuals having physical possession of the Documents. In short, each FWPDA employee and Board members is a Document Custodian for the Documents in their possession or control.

“Public Record” refers to any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by the FWPDA regardless of physical form or characteristics.

The term “Legal Hold” refers to the decision, communicated in writing, to hold certain Documents (defined in the written communication) as potentially pertinent to a Public Records request, or a threatened or pending legal investigation or proceeding. **Documents subject to Legal Hold shall be exempt from their normal Retention Period until the Records Manager, at the direction of legal counsel, releases them from such retention.**

The term “Records Manager” refers to the person appointed by the FWPDA to implement and maintain this policy, who is responsible for, among other things, issuing Legal Hold notices. At the inception of this Plan, the Records Manager is the FWPDA Administrative Assistant.

The term “Retention Period” refers to the appropriate period of time that any Document shall be maintained in the FWPDA’s files, prior to its systematic destruction. The Document Retention Schedule is attached hereto as Exhibit A.

d. Implementation Of The Policy

a. Retention Period

The Retention Period for each Document is determined by both the *legal requirements* and *reference requirements*. Legal requirements include the following:

- applicable state and federal laws and regulations;
- relevance to a Public Records Act request; and
- relevance to pending or threatened legal investigation or proceeding.

Reference requirements are the anticipated business use by the FWPDA through its personnel. If the Retention Period for a particular category of documents is in conflict with the *reference requirements* of the FWPDA, this conflict shall be brought to the attention of the Records Manager for resolution in consultation with legal counsel. Any change to the Retention Period shall be reflected in a written amendment to the Schedule. If Documents with different Retention Periods are kept in a single file, the longest applicable Retention Period shall apply to the entire file.

b. Document Retention Schedule

Documents shall be destroyed upon the expiration of the Retention Period. Such Retention Periods are mandatory and apply to all documents **unless they are subject to a Public Records Act request and/or a Legal Hold notice.**

All classifications of FWPDA Documents are listed in the Document Retention Schedule together with their approved Retention Periods. See Exhibit A. Any revisions, deletions, additions, changes, or questions pertaining to the Schedule must be directed to the Records Manager. If a Document or category of Documents does not appear to be covered by the Schedule, the Records Manager, in consultation with legal counsel if necessary, will establish a Retention Period for the Document and will amend the Schedule accordingly.

c. Duplicates

Many Documents have multiple copies that may be distributed in different locations throughout the FWPDA. For purposes of this Policy, one copy (the original if it exists in the FWPDA's possession) shall be treated as the Document to which the Retention Period shall apply. All other copies shall be retained only as long as they are useful, but in no event may they be retained longer than the Retention Period unless they are subject to Legal Hold.

d. Drafts

Multiple drafts are often retained although they serve no business purpose. As a general matter, only final documents shall be retained. Drafts shall be retained only if and while they provide a useful function (e.g. demonstrate negotiating history), but in no event may they be retained longer than the Retention Period unless they are subject to Legal Hold.

e. Electronic Communications

The FWPDA recognizes the importance and prevalence of email communication to its employees' work processes. It is probable that the vast majority of the Documents for which you are responsible are in the form of email. Email is subject to exactly the same Retention Periods as all other documents, which means that the Retention Period is determined based on the *content* of the particular message. Much of employees' email will be transitory in nature and will not have any content requiring it to be saved for any particular

Retention Period. This does not mean, however, that all email may necessarily be deleted immediately. It is your responsibility to retain those email messages which, because of their content, fall under a particular Retention Period. All other email messages sent and received should be retained only as long as they serve a business purpose.

Instant message conversations should be used only for transitory communications not subject to any Retention Period. The instant messaging platform used shall be deployed in such a manner as to not create a permanent record of the conversation and employees shall not intentionally save (e.g. by copying and pasting) such conversations. It is also prohibited to use instant messaging to transmit other Documents.

f. Responsibility for Implementation

The Records Manager(s), *in consultation with legal counsel as prudent and necessary*, shall:

- a. Advise and direct the Document Custodians in the implementation of this Policy.
- b. Distribute and track the status of all Legal Hold notices.
- c. Review and approve all changes to the Document Retention Schedule.
- d. Issue a revised or updated Document Retention Schedule as needed.
- e. Resolve questions concerning this Policy.
- f. Maintain files containing all documents related to the implementation of this Policy.

g. Destruction of Documents

All paper Documents destroyed pursuant to this Policy shall be cut by mechanical shredder. Electronic data contained on servers and hard drives shall be deleted and overwritten. Electronic data contained on all other media shall be destroyed by the physical destruction of that media.

If circumstances exist which warrant the exemption from destruction of a particular Document or group of Documents, the custodian of such Documents shall bring those circumstances to the attention of the Records Manager(s) for consideration. There is a strong presumption against exemption from the applicable Retention Period and all exemption decisions must be approved by legal counsel. *Actual or perceived selective enforcement of this Policy exposes the FWPDA to potential legal liability.*

DOCUMENT RETENTION SCHEDULE

This Document Retention Schedule sets forth an abbreviated schedule of key record-keeping holding periods and maintenance requirements. It is not intended to and does not provide a complete compilation of all federal or state law record-keeping holding periods or maintenance requirements.

A. RECORDS TO BE MAINTAINED ON A PERMANENT BASIS

Record Type	Retention Period
Annual Audit Report and Financial Statements	Permanent
General Ledgers of Accounts	Permanent
Corporate Records (minute books, minutes and resolutions of the Board and committees, corporate seals, articles of incorporation and amendments, bylaws and amendments, annual corporate reports).	Permanent
Licenses and Permits	Permanent
State Charitable Solicitation Reports	Permanent
Insurance Policies (including expired policies)	Permanent
Insurance Certificates Issued to FWPDA	Permanent
Insurance Claims Files (including correspondence, medical records, injury documents, etc.).	Permanent
Insurance Releases and Settlements	Permanent
Material of Historical Value (pictures, publications, etc.)	Permanent
Policy and Procedures Manuals	Permanent - current version with revision history
Research & Publications	Permanent - 1 copy
Joint Program Agreements	Permanent

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Record Type	Retention Period
Property Deeds, Assessments, Licenses, Rights of Way & Related Correspondence	Permanent
Original Purchase/Sale/Lease Agreements	Permanent
Trademark Registrations and Copyrights	Permanent
Property Insurance Policies	Permanent
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Tax Returns - Income, Franchise, Property	Permanent
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
Employee Handbooks and Training Manuals	Permanent - 1 copy

AND PERSONNEL RECORDS

Record Type	Retention Period
Employment Contracts	Separation + 7 years
Employee Deduction Authorizations	Separation + 7 years
W-2 and W-4 Forms	Separation + 7 years
1099 and 1096 Forms	Separation + 7 years
Garnishments, Assignments, Attachments	Separation + 7 years
Employee Earnings Records	Separation +7 years
Employee Medical Records	Separation + 7 years

Record Type	Retention Period
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, test results, training and qualification records)	Separation + 7 years (consult state law concerning required destruction of confidential information, e.g., background check information, disciplinary actions. prior to holding period)
Immigration Records	Separation + 7 years
Employee Benefit Plans and Records	Separation + 7 years
Group Insurance Plans - Active Employees	Until Plan is amended or terminated
Group Insurance Plans – Retirees	Permanent or until 7 years after death of last eligible participant

C. MISCELLANEOUS

Record Type	Retention Period
Equipment Records	7 years after disposition
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	7 years after expiration or termination
Litigation Files	7 years after close of matter
Court Orders	7 years after close of matter
All Other FWPDA Records	7 years

**d. POLICY FOR REPORTING IMPROPER GOVERNMENTAL ACTION
AND PROTECTING EMPLOYEES AGAINST RETALIATION**
(WHISTLEBLOWER POLICY)

Policy

The FWPDA encourages the reporting of improper governmental action taken by any FWPDA officers or employees and protects employees against retaliatory actions for reporting improper governmental action in compliance with this Policy. This Policy states the FWPDA's procedures for reporting improper governmental action and for protecting employees against retaliatory actions.

It is the policy of the FWPDA (1) to encourage the reporting by its employees of improper governmental actions taken by FWPDA officers or employees, and (2) to protect FWPDA employees who have reported improper governmental actions in accordance with this Policy.

FWPDA policy further prohibits any FWPDA officer or employee from using his or her official authority or influence, directly or indirectly, to threaten, intimidate, or coerce an employee for the purpose of interfering with that employee's right to disclose information concerning an improper governmental action in accordance with this Policy. Nothing in this Policy, however, authorizes any individual to disclose information when disclosure is prohibited by law.

As used in this Policy, the following terms shall have the meanings indicated:

- i. "Improper governmental action" means any action by a FWPDA officer or employee:
- ii. That is undertaken in the performance of the officer's or employee's official duties, whether or not the action is within the scope of the employee's employment; and
- iii. That (1) is in violation of any federal, state, or local law or rule, (2) is an abuse of authority, (3) is of substantial and specific danger to the public health or safety, or (4) is a gross waste of public funds.

"Improper governmental action" does not include personnel actions including, but not limited to, employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployments, performance evaluations, reductions in pay, dismissals, suspensions, demotions, violations of applicable collective bargaining and civil service laws, alleged labor agreement violations, reprimands, or any other personnel action taken under authority of state law (i.e. RCW chapters 41.08, 41.12, 41.14, 41.56, 41.59, 53.18, or RCW 54.04.170 and 54.04.180).

- i. "Retaliatory action" means:
- ii. Any adverse change in a FWPDA employee's employment status or the terms and conditions a FWPDA employee's employment; or
- iii. Hostile actions by another employee towards a FWPDA employee that were encouraged by a supervisor or senior manager or official.

- iv. “Emergency” means a circumstance that if not immediately changed may cause damage to persons or property.

These policies and procedures (collectively, the “Policy”) are adopted pursuant to and in accordance with the Local Government Whistleblower Act, RCW Chapter 42.41 (the “Act”), and are designed specifically to protect such conduct and provide such remedies as are set forth in the Act.

Procedures For Reporting Improper Governmental Actions

Every FWPDA employee has the right to report to the appropriate person or persons information concerning an alleged improper governmental action. FWPDA employees who become aware of improper governmental actions should raise the issue first with the Executive Director or his/her designee. Where the employee reasonably believes the improper governmental action involves the Executive Director, the employee may raise the issue directly with the Chairperson of Board of Directors or such other person(s) as may be designated by the Board of Directors to receive reports of improper governmental action. Employees may also report improper governmental actions to the Jefferson County prosecuting attorney, as listed at the end of this Policy. If requested by the Executive Director/designee or Board of Directors/designee, the employee shall submit a written report to the FWPDA stating in detail the basis for the employee's belief that an improper governmental action has occurred.

In the case of an emergency, where the employee believes that damage to persons or property may result if action is not taken immediately, the employee may report the improper governmental action to a person or entity who is not the Executive Director/designee, Board of Directors/designee, or the Jefferson County prosecuting attorney, including public officials with the appropriate government agency having responsibility for investigating the improper action, a general list of which appears at the end of this Policy. In all other cases, the employee must first follow the reporting procedure outlined above.

FWPDA employees may report information about improper governmental action directly to the appropriate government agency with responsibility for investigating the improper governmental action if the employee reasonably believes that an adequate investigation was not undertaken by the FWPDA to determine whether an improper governmental action occurred, or that insufficient action has been taken to address the improper governmental action or that for other reasons the improper governmental action is likely to recur.

FWPDA employees who fail to make a good-faith attempt to follow the FWPDA’s procedures in reporting improper governmental action shall not receive the protections provided by the FWPDA in these procedures.

Investigation And FWPDA Response

The Executive Director/designee, Chairperson of the Board of Directors or the Board of Directors’ designee, as the case may be, shall take prompt action to assist the FWPDA in

properly investigating the report of improper governmental action. FWPDA officers, supervisors, and employees involved in the investigation shall keep the identity of reporting employees confidential to the extent possible under law, unless the employee authorizes the disclosure of his or her identity in writing. After an investigation has been completed, the employee reporting the improper governmental action shall be advised of a summary of the results of the investigation, except that personnel actions taken as a result of the investigation may be kept confidential.

Anonymous complaints are permitted but disfavored, as they can make proper investigation of a matter difficult and at times impossible. The FWPDA will make a good faith effort to investigate anonymous complaints.

Protection Against Retaliation And Employee Protection

FWPDA officials and employees are prohibited from taking retaliatory action against an employee because he or she has in good faith reported an improper governmental action in accordance with this Policy.

Employees who believe that they have been retaliated against for reporting an improper governmental action, or who believe they have been threatened, intimidated or coerced by an FWPDA official or employee for the purpose of interfering with the right to disclose improper governmental action, shall advise in writing the Executive Director or his/her designee, the Chairperson of the Board of Directors or the Board of Directors' designee. FWPDA officials and supervisors shall take appropriate action to investigate and address complaints of retaliation.

If the Executive Director or his/her designee, the Chairperson of the Board of Directors, or the Board of Directors' designee, as the case may be, does not satisfactorily resolve an employee's complaint that he or she has been retaliated against in violation of this policy, the employee may obtain protection under this policy and pursuant to state law by providing a written notice to the FWPDA's Board of Directors specifying: a) the alleged retaliatory action; and b) the relief requested. FWPDA employees shall provide a copy of their written notice to the Executive Director no later than thirty (30) days after the occurrence of the alleged retaliatory action. The FWPDA shall respond within thirty (30) days to the written charge of retaliatory action.

After receiving either the response of the FWPDA or thirty (30) days after the delivery of the written notice to the FWPDA, the FWPDA employee may request a hearing before a state administrative law judge to establish that a retaliatory action occurred and to obtain appropriate relief provided by law. An employee seeking a hearing shall deliver the request for hearing to the Executive Director within the earlier of either fifteen (15) days of delivery of the FWPDA's response to the charge of retaliatory action, or forty-five (45) working days of delivery of the written notice to the FWPDA for response. Upon receipt of request for hearing, the FWPDA shall apply within five (5) working days to the State Office of Administrative Hearings for an adjudicative proceeding before an administrative law judge:

Office of Administrative Hearings PO Box 42488
Olympia, WA 98504-2488
Physical Address 2420 Bristol Court SW
Olympia, WA, 98502

(360) 664-8717
(800) 558-4857 (Toll-free)
(360) 664-8721 (Fax)

Under state law, the employee must prove his or her claim by a preponderance of the evidence in the hearing. The administrative law judge will issue a final decision no later than forty-five (45) days after the date the request for hearing is delivered to the FWPDA, unless an extension of time is granted. The administrative law judge has the authority to grant the employee reinstatement to his or her job position, with or without back pay, and injunctive relief. To the extent consistent with state law, the administrative law judge may award costs and attorney's fees to the prevailing party. In addition to these remedies, the administrative law judge may impose a civil penalty personally upon the retaliator of up to \$3,000. The FWPDA will consider any recommendation provided by the administrative law judge that the retaliator be suspended with or without pay, or dismissed.

Administration

The Executive Director is responsible for implementing the FWPDA policies and procedures 1) for reporting improper governmental action and 2) for protecting employees against retaliatory actions. This includes ensuring that this policy and these procedures 1) are permanently posted where all employees will have reasonable access to them, 2) are made available to any employee upon request and 3) are provided to all newly-hired employees. FWPDA officers, administrators, and supervisors are responsible for ensuring that this Policy is implemented within their areas of responsibility.

Violations of this Policy may result in disciplinary action, up to and including dismissal.

List Of Agencies:

Following is a list of agencies responsible for enforcing federal, state and local laws and investigating other issues involving improper governmental action. Employees having questions about these agencies or the procedures for reporting improper governmental action are encouraged to contact the Executive Director.

Jefferson County

Prosecuting Attorney's Office (360) 385 9180
Jefferson County Courthouse
POB 1220
Port Townsend WA 98368

City of Port Townsend Police Department
(360) 385 2322
1925 Blaine Street
Port Townsend WA 98368

State of Washington

Office of the Attorney General (206) 464-7744
Antitrust Division
900 Fourth Avenue, Suite 2000
MS TB 14
Seattle, WA 98164-1012
OR
Office of the Attorney General (360) 753-6200
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100

State Auditor's Office (360) 902-0370

Attn: ED
PO Box 40021
Olympia, WA 98504-0021

State Department of Ecology (360) 407-6300

Mailing Address:	Physical Address:
PO Box 47775	300 Desmond Drive
Olympia, WA 98504-7775	Lacey, WA 98503

State Department of Health (800) 525-0127

Health Consumer Assistance
PO Box 4789
Olympia, WA 98504-7891

Human Rights Commission (360) 753-6770 or (800) 233-3247

711 South Capitol Way, #402
PO Box 42490
Olympia, WA 98504-2490

Department of Labor & Industries (360) 902-5799

Mailing Address:	Physical Address:
PO Box 44850	7273 Linderson Way SW
Olympia, WA 98504-4850	Tumwater, WA 98501-
5414	

Liquor Control Board (360) 664-1600

3000 Pacific Avenue SE

Olympia, WA 98504-3080

Department of Natural Resources (360) 902-1000
1111 Washington Street SE
PO Box 47000
Olympia, WA 98504-7000

Puget Sound Water Quality Action Team (360) 407-7300
PO Box 40900
Olympia, WA 98504

Dept. of Social & Health Services (360) 902-8400
Director's Office
4450 10th Avenue
SE Mail Stop 45840
Lacey, WA 98503

UNITED STATES

Department of Agriculture (415) 744-2851
Office of Inspector General
75 Hawthorne Street, Suite 200
San Francisco, CA 94105-3920

Bureau of Alcohol, Tobacco & Firearms
Seattle Field Division (206) 389-5800
915 2nd Avenue, Room 790
Seattle, WA 98174-1093

U. S. Attorney's Office (253) 428-3800
1201 Pacific Avenue, Suite 700
Tacoma, WA 98402-4305

Department of Commerce (206) 220-7970
Office of Inspector General
915 Second Avenue
Room 3062
Seattle, WA 98174

Consumer Product Safety Commission (510) 637-4050
1301 Clay Street, Suite 610-N
Oakland, CA 94612-5217

Customs Service (503) 326-7625

Mailing Address:
P.O. Box 55700
Portland, OR 97238-5700

Physical Address:
8337 NE Alderwood Road, Room 200
Portland, OR 97220

Department of Education (206) 220-7800

Jackson Federal Building
915 2nd Avenue, Room 3362
Seattle, WA 98174-1099

Environmental Protection Agency (206) 553-1200

1200 Sixth Avenue
Seattle, WA 98101

Equal Employment Opportunity Commission (206) 220-6883 or (800) 669-4000

Federal Office Building
909 First Avenue, Suite 400
Seattle, WA 98104-1061

Federal Emergency Management Agency(425) 487-4600

Federal Regional Center
130 228th Street SW
Bothell, WA 98021-9796

Federal Trade Commission (877) 382-4357

2896 Federal Building
915 Second Avenue
Seattle, WA 98174

General Services Administration (253) 931-7500

400 15th Street SW
Auburn, WA 98001

Dept. of Health & Human Services (206) 553-1049

1200 Sixth Avenue, Room 1930
Seattle, WA 98101

Housing and Urban Development (206) 220-5101 or (877) 741-3281

Seattle Federal Office Building
909 First Avenue, Suite 200
Seattle, WA 98104-1000

Western WA Fish and Wildlife (360) 753-9440
510 Desmond Drive SE, Suite 102
Lacey, Washington 98503

Department of Justice (206) 553-5443
Drug Enforcement Administration
400 2nd Avenue West
Seattle, WA 98119

Department of Labor (206) 553-5930
Occupational Safety & Health
(OSHA)
1111 Third Avenue, Suite 715
Seattle, WA 98101-3212

Office of Inspector General Audits
(206) 553-4880
1111 Third Avenue, Suite 780
Seattle, WA 98101-3212

Office of Women's Bureau (206) 553-1534
1111 Third Avenue, Suite 885
Seattle, WA 98101-3212

Mine Safety & Health Admin. (206) 553-7037
3633
136th Place, SE, Room 206
Bellevue, WA 98006

Nuclear Regulatory Commission (800) 695-7403
Region IV
611 Ryan Plaza, Suite 400
Arlington, TX 76011-8064

Securities and Exchange Commission
Pacific Regional District Office (415) 705-2500
44 Montgomery Street, Suite 100
San Francisco, CA 94104

Social Security (800) 772-1213
402 Yaeger Way SW
Olympia, WA 98502

**Department of Transportation
Washington Division Office**
(360) 753-9480
711 South Capitol Way, Suite 501
Mail Stop: 40943
Olympia, WA 98501

National Transportation Safety Board (206) 870-2200
19518 Pacific Highway South, Suite 201
Seattle, WA 98188

Department of Treasury Internal Revenue Service (Local Office) (360) 570-5410
404 Legion Way
Olympia, WA 98501

**Department of Treasury
Financial Management Service** (415) 817-7300
San Francisco Financial Center
P.O. Box 193858
San Francisco, CA 94119

**Department of Veterans Affairs
Veterans Benefits Administration** (800) 827-
1000
Federal Building
915 2nd Avenue
Seattle, WA 98174

Veterans Health Administration (253) 565-7038
4916 Center Street, Suite E
Tacoma, WA 98409

**e. POLICY GOVERNING SUCCESSION TO THE AUTHORITY OF
EXECUTIVE DIRECTOR**

In the event of the absence or disability of the Executive Director, the FWPDA Board shall designate the Board Chairperson or other member of the Executive Committee to exercise all powers herein conferred upon the Executive Director, without execution by the Executive Director of specific prior authorization for each absence or disability.

f. POLICY GOVERNING EXECUTIVE DIRECTOR'S AUTHORITY FOR PROPERTY ACQUISITIONS OR LEASES

When the Board of Directors authorizes the acquisition or lease of real property, the Executive Director shall take all necessary steps, including the securing of appraisals if necessary, to secure a lease or title of such property for the FWPDA. The acquisition price of individual properties (or ownerships) shall in no case exceed the estimates of the Board of Directors' authorization without further specific Board authorization.

The Executive Director shall undertake or provide for due diligence to the extent practicable prior to acquiring or leasing property or receiving property transferred from the City of Port Townsend (the "City"), Washington State Parks, or the U.S. Coast Guard to be managed by the FWPDA. In connection with such acquisition, lease or transfer from another public entity, the FWPDA shall generally purchase an owner's policy of title insurance, with a minimum amount of coverage equal to either the current appraised value or the county assessed value as applicable, and naming the FWPDA as the insured for acquired or leased properties FWPDA managed properties.

g. POLICY GOVERNING REAL PROPERTY RENTALS

Types of Lease Arrangements

All real property belonging to, leased or managed by the FWPDA, when available for leasing shall, except as otherwise provided herein below, be leased only under an appropriate written lease or rental instrument executed by the Executive Director, authorized by the Board of Directors. Such lease shall be accompanied by a lease bond or other form of security as required and in accordance with FWPDA policy. The FWPDA shall provide a standard form of lease, such lease to be modified as necessary to provide for consistency with any applicable terms and conditions of transfer agreements or management agreements with the City.

a. Rental Revenue Standards

The objective of the FWPDA is generally to set rentals at current market rates, acknowledging that variations will occur from time to time based on changing market conditions, local economy, job generation, industry demands, and other public benefits. However, base rental adjustments may be offered provided a Lessee fulfills the ongoing commitments to contribute to the "lifelong learning

center goals” established for the FWPDA to the FWPDA’s satisfaction. The FWPDA shall evaluate the listed ongoing commitments annually to confirm that a Lessee continues to provide ongoing benefits to the FWPDA and Fort Worden State Park. Except as otherwise limited by lease terms, the FWPDA reserves the sole right to adjust the annual rental rate based on the FWPDA’s annual review of Lessee’s contribution to the lifelong learning center goals. Appraisals and rent surveys will be used as guidelines to establish market rates. Lifelong learning programs offered by a Lessee, and/or tenant improvements provided and/or a Lessee’s ability to generate “heads in beds” will be used as guidelines to establish base rental adjustments.

b. Lease Procedures

Prior to execution and authorization of term leases by the Board of Directors, the Executive Director shall be responsible for carrying out the required procedural steps, which steps shall be as follows:

1. Where required by the Master Lease or any transfer or management agreement with another public entity, the Executive Director shall consult with the Board Chairperson prior to initiating negotiations.
2. The Executive Director shall authorize negotiations and transmittal of the proposed lease, duly approved as to form by FWPDA counsel. The FWPDA shall develop a form of standard lease to be used as a starting point for lease negotiations and modified as needed on a property by property basis.
3. The amount of the monthly rental shall generally be in accordance with the rental revenue standards adopted by the FWPDA for similar FWPDA property of the same or similar class and type and devoted to similar uses, subject to modification for special circumstances or exemptions as determined by the Executive Director and approved by the Board of Directors.
 1. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the FWPDA for the same or similar FWPDA property or properties.
 2. A bond or other security shall be in such amount as determined appropriate by the Board. Acceptance of a bond or other security in compliance with FWPDA policy or Board decision which other security may be cash or a letter of credit together with necessary certificates of insurance.

3. All of the proposed final terms of the lease arrangement and the lease bond (if required) will be approved as to form by FWPDA counsel and will be generally consistent with other existing FWPDA leases in the same or similar areas, except as may be specifically authorized by the FWPDA.
4. Where required pursuant to the Charter or Bylaws, and any amendments thereto, as well as the Master Lease and any amendments or extensions thereto, all of the proposed final terms of the lease arrangement shall be reviewed and approved by the FWPDA's legal counsel.

c. Monthly Rental Procedures

Rental procedures for State-owned properties managed by the FWPDA shall be determined in cooperation with the Board. Month-to-month rental agreements for properties owned by the FWPDA are subject to the following conditions:

1. A minimum of two months' rental routinely will be required to be paid in advance of the occupancy, to be held by the FWPDA as a rental deposit for the full duration of the month-to-month occupancy and to insure compliance with agreement terms.
2. The arrangements for month-to-month occupancy shall be evidenced by a lease or rental agreement approved as to form by FWPDA counsel or by the FWPDA's standard form of month-to-month lease, except that any clearly inapplicable provision or provisions inconsistent with the policy herein set out shall be changed on the standard form.
3. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the FWPDA and any exterior alteration would require approval from the Historic Preservation Officer for Washington State Parks.
4. The amount of the monthly rental shall be in accordance with the rental revenue standards adopted by the FWPDA for similar FWPDA property of the same or similar class and type and devoted to similar uses, subject to modification for special circumstances or exemptions as determined by the Executive Director and approved by the Board of Directors.
5. No lease bond shall routinely be necessary in view of the above authority for two months' rent deposit which may be held as cash security in lieu of a bond.

h. POLICY GOVERNING LEASE BOND/RENTAL INSURANCE POLICIES

The Executive Director is authorized and authority is specifically delegated to take all necessary actions on behalf of the Board of Directors and its officers in connection with lease surety bonds, lease surety, rental insurance, or other insurance coverage required pursuant to any leases relating to properties owned by the FWPDA, including any of the following actions:

- a. Where the lease is not in default, to release any surety bond, surety, or rental insurance where an adequate substitute bond has been provided. Whenever the Executive Director releases any bond, surety or rental insurance securing any lease of the FWPDA, the Executive Director shall be acting on behalf of the FWPDA with the full authority of the officers thereof in carrying out such release.
- b. To approve any surety bond, surety or rental insurance or insurance submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage of any terminated bond, surety or rental insurances.
- c. To approve any substitute or modifications or insurance coverage, and to release any insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the FWPDA.

i. POLICY GOVERNING SALE OF PERSONAL PROPERTY

The Executive Director or designee is authorized to sell and convey surplus personal property of the FWPDA subject to the following conditions and procedures:

- a. When the value of such property does not exceed \$10,000.00, sell without prior approval of the Board of Directors. The Executive Director shall itemize and list the property to be sold and make written certification that the listed property is no longer needed for FWPDA purposes. Following such sale or conveyance, the Executive Director shall report to the Board the method of sale and amounts received.
- b. When the estimated value of such personal property exceeds \$10,000.00, the Executive Director shall itemize the property to be sold and shall certify that such property is no longer needed for FWPDA purposes and shall specify the proposed method of sale. When the Board has by

resolution declared the property is no longer needed for FWPDA purposes, the Executive Director may proceed with the sale. Following such sale or conveyance, the Executive Director shall report to the Board the method of sale and amounts received.

- c. The Executive Director or designee is authorized to employ one of the following methods of sale in the disposition of surplus personal property:
 - i. Solicit sale by competitive sealed bids by publicly advertising the sale, or
 - ii. Contract for a licensed auctioneer to publicly auction property, or
 - iii. Consign property to a licensed auction service for public sale, or
 - iv. Solicit offers to purchase from at least three parties, or
 - v. Convey to the City of Port Townsend or another political subdivision or agency of the State of Washington.
 - vi. Any other commercially reasonable manner, including, use of web-based services (e.g., eBay). In this case, the Executive Director shall document the basis for establishing the initial asking price and document the final sales price and basis for accepting the sales price.

In no case shall surplus personal property be sold or conveyed to any FWPDA official or employee or members of their families.

j. GENERAL PURCHASING AND PROCUREMENT POLICIES AND PROCEDURES

Purchasing General Guidelines and Policies

- a. Budget Management Expectations:
 - i. The FWPDA is expected to manage its budget to ensure accountability for cost control and for effective and cost saving means of delivering service and fulfilling operational requirements.
 - ii. The FWPDA is expected to operate within the budget authority

and be consistent with program plans authorized by the Board of Directors in the annual budget or subsequent resolutions.

b. Price Quotes/Estimates/Bids (“Proposals”) – Operational and Budgeted Goods, Equipment and Services:

The Executive Director shall have the responsibility for following all required statutory procedures, where applicable, including but not limited to Chapters 39.04 and 39.80 RCW, in connection with all contracts for the acquisition of budgeted materials, equipment and services; provided, however, that where budgeted materials, equipment and services are acquired on the open market or pursuant to published price lists and used or are necessary in normal maintenance and operations of the FWPDA, no prior approval shall be required but shall, where appropriate, be approved as a part of normal monthly expenses.

Procedures:

- Price Proposals must be comparable and for like items.
- Price Proposals must have printed vendor name, contact, address and contact numbers.
- Price Proposals can be faxed, emailed, or mailed, provided they are received by the time required. Catalogue cuts with published prices are also acceptable as quote documentation.
- Price Proposal documentation must be attached to the corresponding purchase order. For recurring purchases, multiple-year quotes will be kept on file with Accounting.
- For recurring or annual products and operational services generally the bid process should occur every five (5) years.
- The Executive Director may, without prior Board approval, execute on its behalf contracts for acquisition of budgeted materials, equipment and services where the total contract or purchase order price does not exceed \$50,000.00.
- The FWPDA may reject any and all proposals/quotes/bids received.
- For procedures pertaining to procurement of public works repairs and improvements contractors, please refer to the FWPDA Policies for Public Works Contracting, Architecture and Engineering, and Professional Services.

The FWPDA shall establish bid and proposal evaluation criteria for each public work procurement based upon the best interests of FWPDA and the use of public funds to achieve the most economical, efficient and best value for the FWPDA. Procurement awards shall be made to responsible bidders consistent with the procedures in RCW 39.04.250.

c. Purchasing Methods and Procedures:

- Purchase Orders (P.O.): Purchase orders are used for all purchases except when a Contract, Service Agreement, Check Request or Petty Cash is required and used.
- Contracts/Service Agreements: Contracts and Service Agreements are used for public works projects, consultant services, and maintenance agreements.
- Check Request: Check requests are used when pre-paying an expense (C.O.D.) and/or there is no invoice.
- Petty Cash: Petty cash is generally used when an employee is requested to make a cash purchase of \$50 or less and there is not enough time to submit a Check Request.
- Expense Reports: Expense reports are used when an employee needs to be reimbursed for approved business expenses they have incurred such as travel expenses, parking reimbursement, office supplies, etc.

d. Payment Terms:

- Payment on vendor invoices will be paid within 30 days of date of invoice (Net 30), unless there is a discount for earlier payment.
- It is the responsibility of the FWPDA employee placing the order to request early payment discount and to notify vendors/contractors of payment terms.
- When exceptions are required, the invoice should be clearly marked with the payment terms and the reason.

e. Conflict of Interest:

No conflict of interest or appearance of conflict between a vendor, contractor, or supplier and the FWPDA personnel authorizing the purchase is permitted. Any purchase made or authorized by a FWPDA employee in which the employee may receive financial benefit or other compensation from the vendor is strictly prohibited. Breaking up contracts or purchases to avoid adherence to these policies is strictly prohibited.

f. Petty Cash:

- Petty Cash is generally used for food or supply items when there is not time to place an order through standard ordering procedure.
- \$50 limit unless approved by Executive Director.
- Request Petty Cash Slip.
- Fill out form completely with description and code.
- Petty Cash slips must have authorized approval.

- If purchase has not been made, Accounting will give an approximate cash amount; employee will make purchase and return with receipt and change (or be given additional cash to match the receipt).
- If purchase has already been made, attach receipt to petty cash slip and Accounting will give cash reimbursement.

K. CONTRACTING AND BIDDING POLICIES FOR PUBLIC WORKS CONTRACTING, ARCHITECTURE AND ENGINEERING, AND PROFESSIONAL SERVICES

Overall Policy Guidelines

The FWPDA's contracting for public works projects and ongoing repair and maintenance services shall be guided by the following policy objectives:

- To perform the FWPDA's public works projects and ongoing services in the most efficient and cost effective manner;
- To ensure that projects are completed with high quality workmanship and consistency with FWPDA objectives, including maintenance of historically significant structures;
- To implement projects in a timely fashion, with maximum attention and sensitivity in order to minimize adverse impacts on businesses and residents in FWPDA properties; and
- To provide competitive opportunities for qualified contractors with a proven record for quality work completed on time and within budget to perform work in FWPDA properties in compliance with legal requirements.

In order to achieve these policy objectives, the FWPDA shall follow certain general procedural guidelines for bidding and awarding contracts for public works projects. The FWPDA will tailor its procedures as needed to ensure consistency with applicable law and requirements of project funders, including but not limited to women and minority business enterprise participation required for projects funded by Federal grants. In addition, the FWPDA will observe the practices of the City of Port Townsend with respect to documenting or encouraging the participation of women and minority business enterprises in FWPDA bidding or projects.

It is generally FWPDA's preference to distribute, via competitive selection and rotating invitations, outside contracting work for similar specialties among several qualified firms, in order to maintain quality performance and competitive pricing. However, a contractor will not

be prohibited from bidding on successive projects because they have been used for a previous project. Depending on the scope and nature of the project, the FWPDA may require performance and payment bonds and warranties for workmanship and/or equipment and materials.

The FWPDA shall not be responsible for and does not perform work in tenant spaces, unless the work is integral to the structural integrity of the building or the buildings systems. The FWPDA does, however, require that work done by tenant or tenant's contractors in tenant spaces meet quality standards and employ construction methods and materials approved by the FWPDA, in order to ensure that overall integrity of buildings and building systems is maintained. The FWPDA may refer qualified contractors to tenants planning investments in their business space; however, the FWPDA bears no liability for the determination by the tenant of which contractor to employ, nor is the tenant required to follow the procedures set forth in this policy.

All responses and submittals to a Request for Quotation ("RFQ"), Request for Proposal ("RFP"), or Invitations for Bid ("IFB") or similar request are subject to the right of the FWDPA to reject all bids or offers.

Board Approval

All contracts estimated to cost \$50,000 or more require prior approval of the FWPDA Board of Directors. Provided, for Public Work contracts, the authority of the Executive Director to enter into contracts without prior Board approval is limited to contracts up to \$35,000. The authorizing resolution shall include the name and nature of the project, the name of the general contractor for the project, if selected, the maximum authorized amount of the contract, and, if sole source, the justification for the sole source contract. Contracts authorized pursuant to FWPDA Board of Directors resolution shall be signed by the Executive Director. The completion of such projects shall be reported to the Board of Directors and closed and accepted by resolution.

Contract Procedures

In the absence of extraordinary conditions, the FWPDA will solicit quotations or formal written responses to a Request for Quotation ("RFQ"), Request for Proposal ("RFP"), or Invitations for Bid ("IFB") for public works contracting or ongoing maintenance and repair services per the following thresholds and requirements:

Limited Public Works Process (under \$35,000)

A contract for work, construction, alteration, repair or improvement project estimated to cost less than \$35,000 may be awarded using the limited public works process. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the limited public works process. Public works projects awarded under this process are exempt from the other requirements of the small works roster process and are exempt from the requirement that contracts be awarded after advertisement.

For limited public works projects the FWPDA shall solicit electronic or written quotations from a minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder. After an award is made the quotations shall be open to public inspection and available by electronic request. The FWPDA shall attempt to distribute opportunities for limited public works projects equitably among contractors willing to perform in the geographic area of the work. The FWPDA shall maintain a list of the contractors contacted and the contracts awarded during the previous 24 months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.

Small Works Roster Process (\$35,000 - \$300,000)

A small works roster may be used to award contracts for construction, building, renovation, remodeling, alteration, repair or improvement of real property for which the estimated cost is \$300,000 or less. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process. A contract awarded from a small works roster need not be advertised.

The FWPDA may establish and maintain a small works roster of eligible contractors who qualify by FWPDA selection standards. The small works roster will be maintained by categories of trade specialties and will be open on a continuous basis. If it chooses to establish and maintain a small works roster, the FWPDA will advertise annually for firms wishing to be on the small works roster and the FWPDA will update the small works roster at its discretion.

In the alternative, the FWPDA may choose to participate in the Municipal Research and Services Center of Washington ("MRSC") for the maintenance and administration of small works rosters ("MRSC Rosters"). The FWPDA will notify local contractors and professional service providers of its intent to utilize the MRSC Rosters and encourage interested parties to register for or participate in that service. It shall be the FWPDA's intent to provide all qualified contractors a reasonable opportunity to bid on available contract work in the course of a year, depending on the extent and nature of the FWPDA's outside work requirements for the year and the extent of available qualified contractors on the MRSC Rosters. However, the FWPDA is under no obligation to use each and every contractor on the MRSC Rosters.

For all projects costing less than \$300,000, quotations must be invited from at least five (5) Contractors on the appropriate small works roster who have indicated capability of performing the kind of work being contemplated, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster. In addition, for projects costing between \$150,000 and \$300,000, the FWPDA must also notify the remaining contractors on the appropriate small works roster that quotations are being sought. FWPDA has the option of determining whether the notice will be done by (i) publishing notice in a legal newspaper of general circulation in the area where the work is to be done, (ii) mailing notice to these contractors, or (iii) sending a notice to these contractors by facsimile or other electronic means.

Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. The quotation invitation shall specify the deadline for quotation, as well as the means for communicating the quotation (written, telephone, electronic, etc.). The contract shall be awarded to the lowest responsible bidder. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection and available by telephone inquiry.

Competitive Bidding Process (over \$300,000)

An advertisement and competitive bidding process will be used to award contracts for construction, building, renovation, remodeling, alteration, repair or improvement of real property for which the estimated cost is more than \$300,000. The FWPDA shall prepare and distribute a RFQ, RFP, or IFB, which shall be published in the Port Townsend Leader and the Daily Journal of Commerce. The project may be re-bid if at least three (3) written responses are not received. Following the review of the responses, the FWPDA may request final responses from one or more firms. The FWPDA may select the most qualified, responsible firm based on the responses and may award the contract to the most qualified and reasonably priced scope of services. The FWPDA may reject any and all bids received and is not required to accept the lowest bid where other stated criteria govern the award.

Sole Source Contracting

Sole source contracting is used when, due to unique characteristics of the requested product or service (e.g. copyright, IT, patent), there is only one product or service capable of fulfilling contract requirements and only one vendor who sells that product or service.

Except in emergency or in situations would result in material financial loss, all contracts let on a sole source require written authorization of the Board in advance. Written documentation of sole source justification and authorization shall be maintained in the project contract file.

Where sole course occurred without prior Board approval, the Board shall be advised at the next regular meeting.

Ongoing Work

There may be certain specialty areas where the FWPDA will decide to ask for price quotes or rates for ongoing work on a recurring basis (i.e., plumbing – drain cleaning, small plumbing jobs; electrical – installation and repair of panel services, installing new meter services; elevator maintenance; HVAC maintenance; etc.). In such cases, the FWPDA may solicit quotes from qualified contractors on the appropriate small works rosters for an ongoing body of work and negotiate annual contracts to provide those services. Such contracts for annual services will be re-bid at least every three years if the value of the services exceeds \$25,000 per year and at least every five years for annual services costing less than \$25,000.

Architecture and Engineering

Architecture and engineering services shall be procured under a qualification and negotiation process in accordance with Chapter 39.80 RCW. The FWPDA shall publish in advance an announcement stating the general scope and nature of the work and the address of a representative of the FWPDA who can provide further details. The FWPDA may comply

with this publication requirement by either (i) publishing an announcement on each occasion when architecture or engineering services are required by the FWPDA, or (ii) announcing generally to the public its projected requirements for any category or type of professional services. An RFP will be prepared and sent to each responding firm. In addition, the FWPDA may encourage firms to submit annually a statement of qualifications, to be kept on file.

The FWPDA will review statements on file along with responses to its RFP to select the most highly qualified firm based upon criteria established by the FWPDA. The selection process will be developed for each contract and will include a plan to insure that minority and women-owned firms are afforded the maximum practicable opportunity to compete for and obtain contracts for service. The selection team may include members of the FWPDA staff, outside consultants, and/or members of the Board of Directors.

The selection of an architecture or engineering firm will be made based on qualifications and value to the FWPDA and will be documented in the contract file. The FWPDA will negotiate a contract with the most qualified firm at a price which the FWPDA determines is fair and reasonable. In making its determination, the FWPDA will take into account the estimated value of the services provided as well as the scope, complexity, and professional nature thereof. If the FWPDA is unable to negotiate a satisfactory contract with the firm selected at a price determined to be fair and reasonable, it shall formally terminate negotiations and select another firm from the list of qualified provider.

Professional Services or Consultants

The Executive Director shall be responsible for the initiation of appropriate procedures to obtain professional and consultant services deemed necessary in carrying out normal FWPDA operations. Examples of professional service and consultants falling into this category include but are not limited to: legal, marketing research and advertising, public relations, financial analysts, auditors, real estate appraisal, graphic design, and development consulting. The Executive Director may obtain professional and consultant services necessary in the conduct of normal FWPDA operations and for which funds are available within the current FWPDA budget without prior approval of the Board of Directors for contracts not to exceed, on a calendar year basis, the amount of \$50,000. IS THIS CONSISTENT WITH MRSC RESO?? Contracts exceeding this amount require express authorization by the Board of Directors.

Increases in service contracts amounts for which funds are available within the current FWPDA budget may be approved by the Executive Director without prior approval of the Board of Directors for amounts not to exceed 25% of the originally approved amount or \$10,000, whichever is less.

Generally, for discreet, annual and recurring professional service contracts such as annual financial audit services, the RFQ/RFP process should occur every five to seven years.

In the absence of extraordinary conditions, the FWPDA will solicit proposals/bids/quotes or formal written responses to RFQs, RFPs, or IFBs for professional and consultant services per the following thresholds and requirements:

- a) less than \$10,000
 - i) No formal process requirement
 - ii) Competitive pricing, qualifications and reliability of service will be taken into consideration.
- b) \$10,000 - \$20,000
 - i) Public announcement.
 - ii) For professional services between \$10,000 and \$20,000, three (3) phone quotes are recommended.
- c) \$20,000 - \$50,000
 - i) Public announcement.
 - ii) At least three proposals will be solicited and reviewed or a provider will be selected from the MRSC Rosters.
- d) Over \$50,000
 - i) Public announcement.
 - ii) A written RFQ will be developed and will be advertised in the Daily Journal of Commerce with the selected most qualified firm then delivering a response or entering into contract negotiations with the FWPDA. As an alternative, a response may be requested from a minimum of three (3) firms included in the MRSC Rosters, or known to be qualified by the FWPDA whether or not they are on the MRSC Rosters. The Executive Director shall consult with the FWPDA Board in the selection of the most qualified firm.

Exceptions

The above procedures are general guidelines that apply to the majority of work performed. The Executive Director may, as a result of the specialty nature of a project or other compelling reason affecting the cost and quality of the project, seek a waiver from the Board of Directors to deviate from these general rules if such deviation best serves the overall policy objectives and is in compliance with applicable laws, including but not limited to Chapters 39.04 and 39.80 RCW. In such cases where the Executive Director has deviated from these general policies, the reason for such deviation shall be communicated and delineated in the authorizing resolution of the Board of Directors.

k. POLICY GOVERNING EMERGENCIES

The Executive Director is authorized to make a finding of the existence of an emergency and to execute any contracts necessary to respond to the emergency in

accordance with RCW 39.04.020, 39.04.280, and 39.80.060. “Emergency” means unforeseen circumstances beyond the control of the FWPDA that either: (a) present a real, immediate threat to the proper performance of essential functions, or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. If appropriate, the Executive Director may execute emergency contracts under the appropriate small works roster, including the MRSC Rosters, in accordance with the FWPDA’s Contracting and Bidding Policies for Public Works Contracting, Architecture and Engineering, and Professional Services. A written finding of the emergency shall be made to the Board of Directors for ratification no later than two weeks following the award of the contract. In addition, the FWPDA may publish a description and estimate of the emergency work within seven (7) days after the commencement of the work.

I. POLICY GOVERNING CHECK SIGNING AND FUNDS

The Executive Director is authorized to sign checks under (\$10,000).

Checks over (\$10,000) and any payments to the Executive Director require the signature of an officer of the Board of Directors.

m. POLICY REGARDING ISSUANCE AND USE OF CREDIT CARDS

- I. Purpose. Pursuant to RCW 43.09.2855, this policy establishes a process for the authorization, handling, and use of the Fort Worden Public Development Authority (the “FWPDA”) Credit Cards. The policy is applicable to all FWPDA employees and officers, and shall apply to all Charges and Charge-related documents prepared or processed by FWPDA regardless of the source of funds. All FWPDA employees and officers must adhere to the procedures set forth in this policy.

II. Definitions.

“Cardholder” means any employee or officer who is issued a Credit Card and who has authority to use it for FWPDA business.

“Charge” means the purchase of goods or services with a FWPDA Credit Card.

“Credit Card” means a card used to obtain items on credit issued for official FWPDA business.

“Credit Card Invoice Statement” means an itemized list of goods or services charged to the FWPDA Credit Card account(s) furnished by the Credit Card company.

“Credit Limit” means the maximum amount of borrowing power extended to a Cardholder by the Credit Card company on a particular account.

“Monthly Statement of Account” means an itemized list of goods or services charged by the Cardholder during the billing cycle.

“Transactional Evidence” means a receipt, Charge invoice, or other such proof of purchase with sufficient description of the goods or services purchased as to provide verification of the Charge.

III. Issuance and Distribution of Cards.

- a. If authorized by the Board of Directors, the Executive Director may obtain and have issued Credit Cards in the name of the FWPDA for use by FWPDA employees and officers, who, in the opinion of the Executive Director, have job responsibilities that require FWPDA Credit Cards.
- b. The Executive Director, or his or her designee, shall distribute FWPDA Credit Cards in accordance with the following Credit Card Issuance Procedure:
 - i. Employees of the FWPDA who in the opinion of the Executive Director have job responsibilities that require a FWPDA Credit Card may seek an application for a FWPDA Credit Card.
 - ii. The Credit Card applicant will complete and sign a Credit Card application form and submit it to the Executive Director or his or her designee.
 - iii. All FWPDA Credit Card applications will be verified for completeness and accuracy by the Executive Director or his or her designee prior to ordering the Credit Card.
 - iv. All applications that have not been accurately completed will be returned to the Credit Card applicant.
 - v. The Executive Director, in his or her discretion, shall approve or deny all Credit Card applications.
 - vi. If the Executive Director approves a Credit Card application, then he or she will set a Credit Limit for the Cardholder account and submit

the approved application to the Credit Card company.

- vii. Upon receipt of a Credit Card from the Credit Card company, the Executive Director will distribute the Credit Card to the Cardholder.
- viii. Each Cardholder shall confirm in writing that he or she has reviewed the Credit Card Policy and has agreed to abide by its terms.

IV. Authorization and Control.

- A. The Executive Director, or his or her designee, is responsible for verifying all Credit Card transactions each month. In doing so the Executive Director, or his or her designee, is to ensure the transactions are business related and the Cardholder has supplied Transactional Evidence for all charges. Any unusual transactions will be followed up with the Cardholder immediately.

V. Credit Limits.

- A. The Executive Director shall set Credit Limits on each Credit Card issued; provided, that in no event shall such Credit Limit for any individual Credit Card, or the aggregate Credit Limit for all Credit Cards issued to or authorized for use by any one individual, exceed \$10,000.

VI. Card Use.

- a. FWPDA Credit Cards are to be used only for the purchase of goods and services in the ordinary and necessary course of official FWPDA business. Credit Cards are supplied for genuine business expenses only.
- b. Charging personal transactions to FWPDA Credit Cards will not be acceptable under any circumstance.
- c. FWPDA Credit Cards shall not be used to obtain cash advances. This prohibition similarly extends to cash equivalents such as bank checks, traveler's checks and electronic cash transfers.
- d. FWPDA Credit Cards shall not be used for expenses other than those incurred by the assigned FWPDA employee or officer

named on the Credit Card.

- e. Any reimbursement for the return of goods or services must be credited directly to the Cardholder's account.

VII. Cardholder Record Keeping. Cardholder must retain Transactional Evidence to support all Charges. Such documentation shall be used to verify the Charges listed on the Cardholder's Monthly Statement of Account.

VIII. Review of the Monthly Statement of Account.

- a. At the end of each billing cycle, Credit Card Invoice Statements shall be sent to the Executive Director, or to his or her designee. The Executive Director, or his or her designee, shall prepare a Monthly Statement of Account for each Cardholder.
- b. The Cardholder shall receive his or her Monthly Statement of Account from the Executive Director, or his or her designee, which shall list the Cardholder's charges for the billing cycle.
- c. The Cardholder shall check each charge listed against his or her Transactional Evidence to verify the accuracy of all charges listed on his or her Monthly Statement of Account. If the Cardholder discovers any charge on his or her Monthly Statement of Account that appears erroneous or inaccurate, the Cardholder shall immediately notify the Executive Director, or his or her designee.

IX. After reviewing the Monthly Statement of Account, the Cardholder will sign the statement and present it, with Transactional Evidence attached, to the Executive Director, or his or her designee, within five (5) days of receiving the Monthly Statement of Account.

X. The Executive Director, or his or her designee, will check the Cardholder's Monthly Statement of Account and confirm that the Transactional Evidence does exist for each Charge; that the goods were received or the services were performed; and that the Cardholder has complied with applicable procedures.

XI. Payment of the Bills. After verifying all Charges on the Credit Card invoice statements, the Executive Director, or his or her designee,

shall remit payment for the balance due to the Credit Card company by the due date listed on the invoice.

XII. Disallowed Charges.

- a. Any Charges that cannot be properly identified or that are not properly allowed shall be paid promptly by the Cardholder and, together with interest and all other fees Charged by the Credit Card company, shall constitute a prior lien against all amounts owed by FWPDA to the Cardholder until paid in full.
- b. The act of obtaining a FWPDA Charge card does not indicate pre-approval of Charges. All Charges shall be made in accordance with this procedure and other applicable policies and procedures, including without limitation the policy on reimbursement of expenses.

XIII. Credit Card Security. The Cardholder is responsible for the Credit Card at all times. The Cardholder should always treat the Credit Card with the level of care that will secure the Credit Card and the account number. The Cardholder should never allow anyone else to use the card or account number.

XIV. Lost or Stolen Cards. When a Credit Card is lost or stolen, the Cardholder should contact the Executive Director, or his or her designee, to report the lost or stolen card. Contact should be immediate so that the highest level of detail regarding account activity leading up to the date on which the Credit Card was lost or stolen can be provided.

XV. Card Misuse or Fraud. Misuse of the Credit Card may lead the Executive Director to withdraw the Credit Card from the Cardholder. Disciplinary actions may be taken against the Cardholder up to and including discharge and/or civil or criminal action. The Cardholder may be liable for payment of all Charges and fees resulting from misuse or fraud.

XVI. Termination of Employment. Prior to termination of employment, or assignment to another function that does not require Cardholder authority, the Cardholder will surrender the Credit Card to the Executive Director who will destroy the card. The Cardholder will review with the Executive Director the status of all unreconciled, questionable, partially approved, unresolved, and disputed

transactions, and identify any goods and/or services which have been ordered but not yet received, so appropriate actions can be taken to complete these activities.

n. POLICY GOVERNING DISPOSITION OF UNCOLLECTIBLE ACCOUNTS

The Executive Director is authorized to establish procedures for and to write off any uncollectible accounts in the amount of ten thousand dollars (\$10,000.00) or less subject to the following general guidelines. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the FWPCA to accomplish the collection of the account and shall, in appropriate circumstances, authorize FWPCA counsel to bring action in courts of law or, if more appropriate in the case of small amounts, to assign the same to collection agencies for the purpose of attempting to finally collect such accounts. If after attempting all normal account collection procedures the account is still uncollectible after 180 days or more, the Executive Director shall be authorized to provide for the writing off of such account. Any account in excess of ten thousand dollars (\$10,000.00) which is deemed to be uncollectible shall be referred to the Board of Directors for final approval of writing off that deposit.

o. POLICY GOVERNING INSURANCE PROGRAMS

The Executive Director shall be authorized to work with the FWPCA's designated insurance broker(s) to negotiate and obtain appropriate policies of insurance to manage the FWPCA's property and casualty risks, provide employee benefits, and other coverages appropriately included within a comprehensive insurance program. The Executive Director or designee is authorized to approve, from time to time, changes or modifications within the policies of insurance including programs to provide self-insurance or deductible provisions so long as such programs are promptly and regularly reported to the Board of Directors so that they are kept informed of basic changes made in the overall insurance program of the FWPCA. The Executive Director is authorized to waive liability insurance coverage requirements for certain consultants and contractors, if requested and on a case by case basis, for services that do not involve a reasonable risk of harm or damage to persons or property. If such waiver is granted, the contract or service agreement with the consultant or contractor shall include a provision holding harmless and releasing the FWPCA from any claims or liability arising out of the consultant or contractor's performance of services for the FWPCA.

p. POLICY GOVERNING LITIGATION AND SETTLEMENT OF CLAIMS

The Executive Director working with FWPDA Counsel and its insurance provider shall be responsible for the procedures necessary for management and supervision of all litigation in which the FWPDA has an interest, either direct or indirect. For purposes of this section, "litigation" shall mean the assertion of any position, right or responsibility by or against the FWPDA which has been filed in any court of general jurisdiction, be it state or federal, or any quasi-judicial or administrative forum.

A. Engagement of Experts/Investigators

The Executive Director may engage or cause to be engaged through FWPDA Counsel such experts or investigators as may be necessary to the orderly preparation of litigation in which the FWPDA has a direct or indirect interest. Such engagement shall be upon authorization given by FWPDA Counsel when satisfied that such expenditure is necessary to the adequate preparation and representation of the FWPDA's position in such litigation and shall, whenever practicable, include evaluation of the litigation and an estimate of the probable cost of such experts.

B. Settlement

The Executive Director shall be responsible for the observance of necessary procedures whereby the adjustment and final settlement of all claims either against or on behalf of the FWPDA shall be carried out. Necessary procedures in the handling of such claims shall include the following:

- a. "Claim" shall mean the assertion of any position, right or responsibility by or against the FWPDA, but not including "uncollectible accounts" only to the extent as covered in the Policy Governing Disposition of Uncollectible Accounts.
- b. Except as provided under (3) below, no claims shall be finally approved for settlement except by the Board and no claim shall be paid except as authorized by the Board.
- c. Any claim arising from FWPDA operations and not exceeding ten thousand dollars (\$10,000.00) for a single claim may be adjusted and settled by the Executive Director or FWPDA Counsel without prior reference to the Board.

- d. The Executive Director will resolve claims when payment is justified on the basis of the following:
 - 1. A substantial likelihood that the FWPDA is or will be found liable.
 - 2. The likelihood that a judgment rendered in the case would be in the amount claimed or higher.
 - 3. Some other prudent business reason.
 - 4. FWPDA Counsel shall be consulted prior to settlement of any claim.
 - 5. All such claims resulting in FWPDA settlement payments, when settled, shall be reported to the Board.
- e. Claims exceeding ten thousand dollars (\$10,000.00) shall be reported to the Board upon receipt.
- f. Nothing herein contained shall preclude administrative approval of settlements made by the FWPDA's insurers of claims against the FWPDA, where such settlement is payable by such insurer.

q. POLICY GOVERNING FWPDA MEMBERSHIPS

The Executive Director is authorized to disburse funds for membership in organizations whose purposes are consistent with the FWPDA's purposes as reflected in its Charter, in accordance with the memberships specified and approved by the Board or in its annual budget. Members may be either the FWPDA or employees or officers of the FWPDA.

r. POLICY GOVERNING PERSONNEL ACTIONS AND EQUAL EMPLOYMENT OPPORTUNITY

The Executive Director shall be responsible for the administration of FWPDA personnel policies, including equal employment opportunity, hiring and recruitment, labor relations and employee benefits. The Executive Director is authorized to recruit and fill positions specified in the annual budget, and to

administer any other related personnel actions including changes in classifications and terminations. Board approval is required for new positions not specified in the budget.

The Executive Director shall ensure that equal opportunity exists in all employment practices and personnel-related actions. This includes but is not limited to: recruitment, hiring, training, promotion, and transfers within all job classifications and other terms and conditions of employment.

s. POLICY GOVERNING COMPENSATION

Purpose

It is the intent of the FWPCA to pay salaries that are competitive with those paid for comparable work performed in other organizations; provide for periodic adjustment in salary amounts based upon established criteria, organizational results and budgetary constraints; encourage exceptional employee performance; and ensure compliance with state laws and regulations on payment of salaries.

Performance Reviews

Every employee shall have an annual performance review, provided, an annual staff review for any employee may be deferred by the Executive Director if in his or her judgment an annual review may be deferred to the following year. As a minimum, such review shall include performance of previously established objectives, tasks and other expectations for the current year and performance planning and objectives, tasks and other expectations to be accomplished the following year. The Executive Director, or designee, has the specific responsibility for administration of staff reviews and has the obligation to promote a thorough understanding among staff members of salary policies and how they affect each individual.

Salary Changes

The Board of Directors sets the overall parameters for staff salary increases and the Executive Director has the authority to set specific individual salaries. For employees other than the Executive Director, Board action generally is effective January 1 of each year and may include market adjustment, cost of living increase, and a one-time earned lump sum payment ranging from zero to 10 percent based on previous year's performance, both organizationally and individually, consistent with previously established objectives, tasks and other expectations. Any employee receiving a below average performance review shall not be eligible for any earned lump sum payment.

Executive Director and General Manager

The Board of Directors retains responsibility with respect to the performance of the Executive Director and shall set the compensation amount and effective date of any salary changes for the Executive Director and General Manager. Compensation procedures for the Executive Director and General Manager, including performance review procedures, incentive compensation, and other matters shall be established in separate employment agreements with the Executive Director and General Manager.

t. REIMBURSEMENT FOR TRAVEL EXPENSES

The City of Port Townsend’s Travel Expense Reimbursement Policy, as amended, is adopted as the FWPDA Travel Expense Policy. The current City Policy is contained in City Resolution 14-024. Terminology references in the City policies are changed as follows:

<u>Where City uses:</u>	<u>Change to:</u>
City	FWPDA
Travel Voucher	FWPDA form providing equivalent information
State Charge Card System	FWPDA purchasing or credit card
Travel Authorization	FWPDA form providing equivalent information
Statute	Resolution
Director of OFM	Executive Director

The Executive Director shall insert the City Policy, including any amendments, in these policies.

u. POLICY REGARDING EMPLOYEE IMPROVEMENT

Attendance at seminars, conferences and meetings as well as subscription and purchase of training materials, guides and other data shall increase the skills and productiveness of employees to enhance the performance of FWPDA duties. The Executive Director shall be authorized to approve employee improvement expenses for FWPDA employees and the Board of Directors shall approve such expenses for the Executive Director. When approved, the FWPDA shall pay the costs of such attendance or materials in advance or shall reimburse the employee if paid by the employee.