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Title: King County Procurement of Architecture, Engineering, and Professional Services

Affected Agencies: All agencies using architecture/engineering/professional services

Authorities: King County Code, Revised Code of Washington

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Sponsoring Agency: Department of Executive Services, Finance and Business Operations Division

Type of Action: Supersedes

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CON 7-7-2 (AEP), May 25, 2009

CON 7-8-3 (AEP), January 12, 2012

CON 7-10-2 (AEP), May 25, 2009

CON 7-13-1 (AEP), May 25, 2009

CON 7-18 (AEP), March 1, 2014

CON 7-20 (AEP), February 6, 2015

Executive signature: _____

Date signed and effective: _____



King County

Former policies rescinded by this policy:

Please also review Policy CON-7-27 “King County Procurement,” finalized in 2020, for other information that may have been contained within these former policies. Furthermore, additional detail may have been extracted from former policies and moved to department-specific policies, procedures, and standard work. Please consult the applicable policy owner if you have questions about the location of former content and directives in new or revised materials.

I. Purpose

The purpose of this policy is to:

- A. Establish policies for the procurement and administration of King County architectural, engineering, and professional services contracts, amendments, and individual work orders.
- B. Ensure appropriate oversight, delegation of activities, documentation, and project controls are in place to support the completion of efficient, quality capital projects that prudently expend public funds.
- C. Establish adequate controls by delegating decision-making authority and responsibilities to specific parties.

Applicability and Audience

- A. This policy only applies to architecture, engineering, and professional services contracts and amendments entered into after the effective date of this policy. This policy does not apply to certain categories of purchases from King County standard procurement requirements, including the procurement of goods and services and construction contracts.
- B. This policy applies to all King County Implementing Agencies (i.e., all administrative offices and executive departments) supervised by the King County Executive. The audience may also include any King County non-Executive

Branch Departments adopting this policy. See CON 7.27 King County Procurement for general procurement guidelines.

II. Definitions

“A&E” means architectural and engineering services or professional services rendered by any person, other than as an employee of the agency, contracting to perform activities within the scope of the general definition of professional practice in RCW 18.08, 18.43, or 18.96.

“AEP” means architectural, engineering, and professional services; preferred nomenclature to encompass all pre-construction and construction management services on capital projects.

“AEP Procurement Guide” refers to the established procedures and guidelines for architectural, engineering and professional services and is maintained by Procurement and Payables.

“Agreement” may be interchanged with “Contract”.

“Amendment” refers to a legal document used to modify the contract between King County and the Consultant.

“Award” means the selection of a responsive and responsible proposer who is deemed best qualified for the work or services being performed.

“CPMWG” Capital Projects Management Work Group as established by executive policy CIP 8-3.

“Capital Project” refers to a project with a scope of work that includes one or more of the following elements; acquisition of a site and/or existing structure, site master planning, design and environmental analysis, design, construction, major equipment acquisition, reconstruction, demolition or major alteration of a capital asset. A Capital Project shall include a project management plan, scope, budget, and schedule. A Capital Project may be part of a larger program. One project may include multiple contracts.

“Chief Procurement Officer (CPO)” is the Officer in charge of the Procurement and Payables Section within the Department of Executive Services, Finance and Business Operations Division.

"Consultant" refers to the individual, association, partnership, firm, company, corporation, or combination thereof, including joint ventures, contracting with King County to perform architectural, engineering, or professional services.

"Contract" means a mutually binding legal agreement or any modification, obligating a person, firm, corporation or partnership to provide tangible personal property, goods or services, professional or technical services or public work to the county, and that obligates the county to pay. The contract constitutes the entire agreement between King County and the external party for performance of the service or work. Contract may be interchanged with "Agreement."

"Contract administration" refers to duties including contract oversight, estimating, scheduling, cost controls, processing progress payments, amendments, and contract closeout.

"Contract closeout" refers to the process of closing the contract after all work is completed and/or services have been provided.

"Cost Analysis" is a method used to evaluate the reasonableness of individual cost elements when certified cost or pricing data are required.

"Cost-Plus Fixed Fee" is a cost reimbursement type contract that provide for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the Consultant may not exceed (except at the Consultant's risk) without the approval of King County. This cost reimbursement contract provides for payment to the Consultant of a negotiated fee that is fixed at the inception of the contract. The fixed fee does not vary with actual cost but may be adjusted as a result of changes in the work to be performed under the contract.

"Estimate" refers to the projected cost of all contract elements or effort to establish a defined scope of work.

"Execution" means a fully binding Contract or Work Order signed by both the Consultant and the County.

"Executive" means the King County Executive or designee.

"FBOD" means the Finance and Business Operations Division of the Department of Executive Services.

“FIN PCO” refers to the Finance Project Control Officer.

“IA” refers to the Implementing Agency (i.e. Executive department, division or agency) responsible for administering the contract.

“IAD” abbreviation for Implementing Agency Director or designee.

“Individual Work Order” means a written agreement between King County and the Consultant to perform a clearly defined scope of work, schedule, and price in accordance with the terms of the work order contract.

“KC” refers to King County.

“Lump Sum” refers to a contract form in which the price includes all costs, profit or fee, and overhead. The contract provides for a price that is not subject to any adjustment on the basis of the Consultant’s cost experience in performing the Contract.

“Notice to Proceed (NTP)” refers to a written directive issued by the County authorizing the Consultant to start performance of some or all of the work and establishing the date after which the Consultant may commence the work.

“PCO” refers to the Project Control Officer, a King County employee responsible for ensuring the Implementing Agency’s compliance with the applicable policies, procedures, laws, regulations and contract requirements.

“P&P” refers to Procurement & Payables, which is part of the Finance and Business Operations Division within the Department of Executive Services.

“P&P Contract Compliance Guide” refers to a document created and maintained by the Finance Project Control Officer that provides guidance and best business practices to ensure contracts are managed in compliance with King County policies and contract terms and conditions

“Professional Services” are those services provided by licensed or certified individuals or consulting firms associated with the development, design, and/or construction of a public works or a real property project.

“Profit” refers to the fixed dollar amount or percentage earned by a Consultant in excess of its costs and overhead.

“Project” for the purposes of this policy, project means the scope of work issued under the specific contract.

“Project Manager (PM)” refers to the King County employee responsible for the planning, design, implementation, and closing of assigned capital projects.

“Project Representative (PR)” refers to the King County employee responsible for contract administration and representing King County during interactions with consultants.

“Proposal” means an offer, submitted in response to a request from King County, that provides a solution to a problem, requirement or objective as outlined in the request for proposal.

“Proposer” means a person, firm, partnership or corporation or combination thereof that formally submits a proposal to the County in response to a request for proposals or requests for qualifications issued by the County.

“Roster” is a procurement method for architectural, engineering and professional services contracts that have an estimated value of \$500,000 or less.

“Scope of Work” refers to the general type of work as described when the services were procured, including work not specifically identified or defined in the scope but which is incidental to and/or needs to be performed in order to complete the scope of work. Scope of Work also includes work added by fully authorized and executed amendments.

“Solicitation” means a formal process for advertising and collecting competitive proposals for the purposes of awarding a contract.

“Total Price” means a mutually agreed upon total amount that King County pays to a consultant on completion of the contract, in accordance with contract terms and conditions.

“Waiver” means a process whereby the IA may procure without formal solicitation procedures because of the uniqueness of circumstances related to that procurement action.

III. Policy

A. Precedence

1. This policy and its revision shall take precedence over department-specific procurement policies, procedures, best practices, and standard work.
2. Contract terms and conditions shall take precedence over this policy. If a conflict exists between the policy and a contract's agreed-upon terms, then the contract shall take precedence. Upon discovery of such a conflict, the IA shall report the conflict in writing to the FIN PCO.

B. Rules for Procuring Architectural / Engineering / Professional Service Contracts

1. P&P shall provide centralized procurement services for the procurement of architectural, engineering, and professional services contracts.
2. P&P shall establish and maintain procedures for planning, solicitation, negotiation, and execution of the procurement process and cost analysis of individual cost items for architectural, engineering, and professional services contracts. Procedures for contracting processes are contained in the **AEP Procurement Guide** and shall be the authority guide in completing AEP procurements. P&P shall collaborate with the CPMWG to ensure contracting procedures are reviewed, updated and training is provided on a regular basis.
3. P&P shall establish and maintain all procurement and contracting boilerplates and the AEP Procurement Guide, which may include procurement procedures, processes, guidelines, templates, and best practices that IAs shall follow.

C. AEP Procurement Methods

P&P shall determine the appropriate procurement method to complete the work based on the information provided by the IA.

1. **Qualification-based**
 - a. A qualification-based selection process is used to procure, and award architectural, engineering and professional services contracts as described in RCW 39.80.
2. **Roster Process**
 - a. A roster process is an informal procurement process that is not advertised but instead sent to selected suppliers, to procure and award architectural, engineering and professional services contracts that have a value of \$500,000 or less.
3. **Work Order Contracts**
 - a. This contract type is for small unplanned bodies of work necessary to meet agency needs that may not be accomplished with traditional design build processes.

4. **Emergency Waivers**

- a. In the event the King County Executive declares an emergency, Emergency Waivers may be used to procure AEP services. This waiver only waives what is allowed as stated in KCC 2.93.80.

D. **Selection and Award**

1. P&P shall establish and administer the qualifications-based selection and award process including guidelines, templates, and best practices that IAs shall follow. See the **AEP Procurement Guide** for additional information.

E. **Cost Analysis and Negotiations**

1. All AEP procurements at or over \$500,000 shall have a cost analysis completed by P&P.

F. **Construction Management**

All construction contracts estimated at \$10 million or more shall retain a construction management firm. The construction management firm shall be independent from the AEP firm that is performing engineering services during construction.

1. **Waiver**

If the IA can demonstrate that the construction can be effectively managed by County forces and remain consistent with best industry practices, the IAD may request a waiver. The Executive Audit Committee (EAC) and the Deputy County Executive must approve the waiver. For more information on this process, see the **AEP Procurement Guide**.

G. **Notification of Upcoming Capital Projects**

By the 15th of the month following the end of the quarter, IAs shall provide the Strategic Partnerships and Analytics (SPA) team with a list of planned AEP contracts. See **AEP Procurement Guide** for the required minimum contract details.

H. **Contract Administration**

1. **Amendments**

- a. All amendments must be submitted to P&P through the service request system to be input into Oracle and accurately reflected on the contract purchase agreement.

b. **Scope of Work (SOW)**

- i. Only work directly related to the scope advertised in the RFQ/RFP may be added via Amendment; work not anticipated in the RFQ/RFP is not allowed. Waivers adding Scope of Work are **not** allowed.

2. **Individual Work Orders (WOs)**

- a. **Work Order Pro Equity Policies (Small Business Utilization)**

For Individual WOs at or over \$100,000, the IA shall follow the procedures outlined in KCC 12.16.150-180 and 2.97. See the **AEP Procurement Guide** for details

b. Consideration of Alternative Means

For individual work orders at or over \$150,000, including amendments, the IA shall consider alternative means of procurement, including the King County Consultant Roster.

c. Term Limit

Only an executed Work Order Amendment can extend the Work Order Period of Performance in accordance to the Contract terms and conditions.

I. Contract Closeout

1. Architectural, Engineering and Professional Services Contracts

- a. IA staff is responsible for AEP contract closeout.
- b. Each IA shall include AEP contract closeout procedures in its PM Manual.
- c. See **P&P Contract Compliance Guide** for additional information.

J. Compliance for AEP Services

1. Projects Subject to Review

All projects and corresponding documentation, including AEP contracts, are subject to the internal review by the FIN PCO or designee and annual reporting to the Council.

2. Types of PCOs

- a. IA PCO is appointed by a Department Director within each agency responsible for capital project contracting, and
- b. FIN PCO is appointed by the FBOD Director.

3. PCO General Roles and Responsibilities

The role of a PCO is to review projects and corresponding documentation for compliance with policies, procedures (e.g., manuals), and standard work; to assist project teams in developing the most effective and practical approach to comply with policies; and to answer questions regarding the application of the policies, as needed. Both IA and FIN PCOs shall be responsible for monitoring contracts for compliance with the contract terms and applicable policies. See **P&P Contract Compliance Guide** for additional details.

4. Role of IA PCO

a. Compliance Support

The role of the IA PCO is to assist the Project Representative, develop a process for compliance, review contracts for compliance with the contract, policies, and manuals, and report to management on adherence with the above. When necessary, the IA PCO shall escalate the review to the FIN PCO as needed.

b. Separation of PM and PCO Functions

To ensure independent review of project compliance with the Executive Policies, the IA PCO must be segregated from the Project Manager function and report to at least one level above the Project Representative.

c. Deliverables

IA PCO shall conduct compliance reviews or file reviews to ensure contract terms, PM Manual, and policies are adhered to.

5. Role of FIN PCO

a. IA Review and Training

- i. The FIN PCO shall develop and maintain the **P&P Contract Compliance Guide** for use by all IAs.
- ii. The FIN PCO shall recommend and conduct additional training for IA staff (namely Project Representatives, Project Managers, Contract Specialists, and IA PCOs).
- iii. The FIN PCO will conduct compliance training on an annual basis or if the policies are revised.
- iv. The FIN PCO will also be available for refresher courses as requested.

b. Annual Compliance Review

The FIN PCO shall review IA projects, contracts, and processes for compliance with the policies on an annual basis. This review shall form the basis of the Annual Report to Council.

c. Adherence to Duties

The FIN PCO shall periodically review the IA's capacity to perform the duties of an IA PCO. The FIN PCO may notify the IAD (or designee) if concerns arise.

6. AEP PCO Review

a. AEP Contracts, Amendment, and Work Order Review by PCO

The appropriately assigned PCO shall review qualifying contracts, amendments, and work orders based upon the defined thresholds.

b. Assignment of AEP Contracts for PCO Review

All architectural, engineering, professional services contracts must follow the PCO review thresholds (estimated contract value including anticipated phased work) identified below:

- i. <\$500,000 = PCO review is not required;
- ii. \$500,000 – \$2,000,000 (up to \$4,000,000 for WTD and Metro Transit) = requires IA PCO review;
- iii. >\$2,000,000 (>\$4,000,000 for WTD and Metro Transit) = requires FIN PCO review.

d. Assignment of AEP Amendments for PCO Review The contract's total price (including anticipated contract phase work and amendments) dictates which PCO is responsible for the reviews.

- iv. Amendments valued at or over \$150,000 on contracts under \$2 million are referred to the IA PCO for review;

- v. Amendments valued at or over \$150,000 on contracts over \$2 million are referred to the FIN PCO for review;
 - vi. Amendments valued at or over \$300,000 on contracts under \$4 million are referred to the IA PCO for WTD and Metro.
 - vii. Amendments valued at or over \$300,000 on contracts over \$4 million are referred to the FIN PCO for WTD and Metro.
7. **Work Order Quarterly Report**
IAs shall provide the FIN PCO with a quarterly report that lists each work order contract and individual WO history. See the **P&P Contract Compliance Guide** for additional guidance.

IV. Implementation Plan

- A. This policy becomes effective for *Executive Branch agencies* on the date that it is signed by *the Executive*. The *Department of Executive Services Finance and Business Operations Division* is responsible for implementation of this policy.
- B. *The Department of Executive Services* is responsible for communicating this policy to the management structure within their respective agencies and other appropriate parties.
- C. Implementing Agency Directors (IADs) are responsible for ensuring that their staff follow this procurement administrative policy.

V. Maintenance

- A. This policy will be maintained by *Department of Executive Services, Finance and Business Operations Division* or its successor agency.
- B. This policy will automatically expire five (5) years after its effective date. A new, revised, or renewed policy will be initiated prior to the expiration date by the by *Department of Executive Services Finance and Business Operations Department* or its successor agency.

VI. Consequences for Noncompliance

- A. Agencies in noncompliance with this policy shall submit a letter of justification and remediation plan signed by the Department Director or designee to the Chief Procurement Officer for review and action.
- B. **Consequences for noncompliance with federal funding regulations:**
- C. If an auditing authority finds a grantee IA to be in violation of federal procurement policies, the federal granting authority may no longer grant funds to that IA or the IA may have to pay back all disallowed costs or both.

Appendices:

- A. [Link to AEP Procurement Guide](#)
- B. [Link to P&P Contract Compliance Guide](#)