



# Signature Authority Policy

Policy Number: 012  
Supersedes Policy #011 - 05/2017

Approved: 07/24/2019

Effective: 08/01/2019 - 08/01/2022

Authorized by: Board of Trustees

Review Date: 05/01/2022

1) **Purpose:**

To provide direction on the delegation of authority to the Executive Director, and any designees, for matters related to Signatory Authority of Library Contracts.

2) **Scope:**

This policy establishes requirements for the review of Contracts by Legal Counsel and provides delegation of Signatory Authority to sign Contracts on behalf of the Board of Trustees to the Executive Director, and any designee.

3) **Background:**

The Timberland Regional Library (TRL) Board of Trustees under *RCW 27.12.210 (5)* has the exclusive control of the finances of the Library; and, under *RCW 27.12.210 (10)*, has the authority to adopt rules for the efficient management and control of the Library. The Board of Trustees now wishes to provide a master policy providing for the delegation of authority for matters related to Library Contracts for the purpose of expeditious administration of the Library.

4) **Definitions:**

- A. **Authorized Signatory:** An individual authorized pursuant to the Board of Trustees' Signatory Authority Policy to sign Contracts with external parties on behalf of the Board of Trustees of Timberland Regional Library.
- B. **Contract:** Any agreement, or understanding, between two or more parties for performing, or refraining from performing, some specified act, or acts, in exchange for a valuable benefit known legally as consideration, including memorandums of understanding, letters of intent, amendments or modifications to existing Contracts, and other similar documents.
- C. **Personal Services:** Any professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement which may not reasonably be required in connection with a public works project.
- D. **Professional Services:** Any services provided, other than as an employee of the Library, contracting to perform activities within the scope of the general definitions of professional practice in *RCW 18*.
- E. **Public Works:** All work, construction, alteration, repair, or improvement, other than ordinary maintenance, executed at the cost of Timberland Regional Library, or which is by law a lien or charge on any property therein.

- F. Purchased Services: Any services provided by a vendor to accomplish routine, continuing, and necessary functions.
- G. Reimbursable Service Agreement: Any agreement where Timberland Regional Library is the provider or performer. Reimbursable agreements are a means by which an entity needing supplies or services obtains them from Timberland Regional Library.
- H. Signatory Authority: The legal authority to bind Timberland Regional Library in a Contract.
- I. Small Public Works Roster: A process through which there is competition for public works contracts following notification, normally through a request for quotes (RFQ), to some or all public works contractors who have requested placement on a roster kept by the Library.

5) **Policy:**

**SECTION I. PUBLIC WORKS CONTRACTING**

A. Major Public Works Construction Work Contracts:

For all contracts which require the performance of work, and where the estimated total cost is to exceed one hundred thousand (\$100,000) dollars, Board of Trustees approval shall be required for:

1. The solicitation of bids;
2. The award of contract; and
3. The acceptance of the work as complete.

The Executive Director, or designee, is authorized to carry out without prior referral to the Board of Trustees, all other actions required by applicable statute, or necessary for contract administration, including the public opening of sealed bids, preliminary to the acts required to be performed by the Board of Trustees.

B. Change Orders for Major Public Works Construction Work Contracts:

Where major public works contracts for the performance of work have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessary to properly accomplish the work, the Executive Director is authorized to execute individual change orders to the contract provided the conditions are met as follows:

1. The accumulated total of all changes orders does not exceed ten percent (10%) of the original contract amount;
2. The revised total of the contract amount is within the approved, appropriate fund budget spending limit;
3. Any time extension for completion of said contract which accompanies said change order does not exceed the total of forty-five (45) days, except a change order extending the contract determined time beyond forty-five (45) days where it is to be a result of fire or other casualties not the fault of the contractor; strikes, riots and other civil disorders; unsuitable weather, or other acts which result in suspension of work by order of the project manager; and,



4. The project scope does not significantly vary from the approved project budget.

C. Small Works Roster Construction Contracts:

Where the total contract price, including applicable taxes and change orders, does not exceed one hundred thousand (\$100,000) dollars and the contract award conforms, as nearly as practicable, to the requirements of *RCW 39.04.155*, and the work is within the authorized, appropriate fund budget spending limit, the Executive Director is authorized to carry out, without prior referral to the Board of Trustees, all actions required by applicable statutes or necessary for contract administration, including:

1. Solicitation of bids;
2. The award of contract, giving weight to the contractor submitting the lowest and most responsive proposal; and
3. The acceptance of the work as complete.

D. Change Orders for Small Works Construction Contracts:

Where small works contracts for the performance of work have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessary to properly accomplish the work, the Executive Director is authorized to execute individual change orders to the contract provided the conditions are met as follows:

1. The accumulated total of the original contract plus all change orders does not exceed one hundred thousand (\$100,000) dollars;
2. The revised total of the contract is within the approved, appropriate fund budget spending limit;
3. Any time extension for completion of said contract which accompanies said change order does not exceed the total of forty-five (45) days, except a change order extending the contract determined time beyond forty-five (45) days where it is to be a result of fire or other casualties not the fault of the contractor; strikes, riots and other civil disorders; unsuitable weather, or other acts which result in suspension of work by order of the Executive Director supervising the contract; and
4. If the project scope does not significantly vary from the approved work. In all other cases it will be brought before the Board of Trustees before obligation of any funds.

E. Emergency Construction Contracts:

If needed for the immediate execution of a contract for work, the Executive Director, pursuant to the procedures of *RCW 39.04.020* and *RCW 39.30.020* (as they may be amended or succeeded), is authorized to declare and make appropriate findings that an emergency situation exists, waive the competitive bidding requirements, and execute all contracts necessary to address the emergency situation.

The Executive Director, or their designee, shall submit to the Board of Trustees the proposed ratification of the finding of emergency and any contracts awarded and/or executed pursuant to that finding at the next regularly scheduled Board of Trustee meeting.

F. Reports:

Notwithstanding the authorities granted in these preceding Sections I. A, B, C, D and E, the Executive Director shall keep the Board of Trustees advised of all Major Public Work contracts by providing monthly reports listing all open Major Public Work contracts, including, but not limited to, the date of award, authorized and original award amounts, and all amendments.

**SECTION II. CONTRACTS FOR ACQUISITION OF UTILITIES, BOOKS, MATERIALS, EQUIPMENT, SUPPLIES, DATABASES, AND PURCHASED SERVICES**

- A. The Executive Director shall have the responsibility for following all statutory requirements and procedures in connection with all contracts for the acquisition of utilities, books, materials, equipment, supplies, databases, and purchased services. Utilities, books, materials, equipment, supplies, databases, and services (including services provided by public agencies) may be acquired on the open market, pursuant to competitive bidding, when necessary for the normal maintenance and operations of TRL. No prior Board of Trustee approval shall be required but shall, where appropriate, be approved as part of normal monthly voucher examination and shall be within authorized, appropriate fund budget spending limit.
- B. Where a requirement exists for formal competitive bidding, the library Executive Director may execute contracts for the acquisition of utilities, books, materials, equipment, supplies, databases, and purchased services subject to the following conditions:
1. The contract or purchase order price for one year does not exceed one hundred thousand (\$100,000) dollars, or if specifically identified in the annual budget, the amount shown in such budget, and the contract provides for no more than two (2) options to extend the contract for one (1) year periods, provided that the basic contract or purchase order price and any contract extensions must be within the approved, appropriate fund budget spending limit;
  2. The award is made to a bidder who has submitted a proposal based on the plans and specifications on file, or, where permissible, based upon his own plans and specifications and accompanied by a bid proposal deposit as may be required, and which is, as nearly as practicable, in accordance with the requirements of the bid; and
  3. The successful bidder has provided, where required, a performance bond with sureties, which comply with the requirements of *RCW 39.08*.

**SECTION III. COMPETITIVE BIDDING REQUIREMENTS**

- A. The Executive Director is authorized to waive competitive bidding for public and contracts for purchases for:
1. Purchases of library books and resources;
  2. Purchases using competitively bid public entity contracts;
  3. Purchases in the event of an emergency, as allowed by *RCW 39.04.280*;
  4. Purchases that are clearly and legitimately limited to a single source of supply, and purchases involving special facilities, services, or market conditions, as allowed by *RCW 39.04.280 (1) (a) & (b)*;
  5. Purchases of insurance or bonds, as provided by *RCW 39.04.280 (1) (d)*;

6. Purchases of used equipment not exceeding the dollar limit of Section II. above;
7. Purchases using a small works roster to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property, as authorized by *RCW 39.04.155*;
8. Any public work executed by any means or method, other than by contract or by a small works roster, that it shall appear that the estimated probable cost will exceed the dollar limit of *RCW 39.04.020*, which will comply with the plans, specifications, estimates, and publication requirements of *RCW 39.04.020*;
9. Purchases of energy equipment and services which may, after a competitive selection process, be acquired by negotiation rather than through competitive bidding, as allowed by *RCW 39.04.270*; and
10. Purchases of all architectural and engineering services which will utilize The competitive qualification-based selection process required by *RCW 39.80*.

When the competitive bidding requirements are waived, required documentation shall be filed stating the nature of the purchase or work, and the justification for determining the exemption criteria was met.

#### **SECTION IV. REIMBURSABLE SERVICES**

- A. The Executive Director is authorized to enter into agreements to which TRL will provide reimbursable services, when such services are part of normal operations or incident thereto.

#### **SECTION V. ARCHITECTURAL, ENGINEERING AND TECHNICAL SERVICES (PROFESSIONAL SERVICES)**

- A. The Executive Director is authorized to contract with qualified Professional Services providers to provide such services as required for maintenance, engineering work or small projects of TRL.
- B. Professional services means professional services rendered by any persons contracting to perform activities within the scope of the professional practice of architecture, engineering, land surveying and landscape architect as defined in *RCW Chapters 18.08.320, 18.43.020, and 18.96.030*, including as required for preliminary engineering, planning, environmental permitting, construction permitting, project scoping, construction management; or for similar purposes reasonably required in connection with public works.

Professional services shall be with qualified firms that are licensed in the State of Washington to provide such services. Selection and reimbursement for such services shall follow all required statutory procedures as authorized by *RCW 39.80*, and shall be consistent with normal established fees paid for such services.

- C. Where necessary in the conduct of normal Library operations, the Executive Director may arrange for such services subject to the following conditions:
  1. The competitive selection process was utilized, and the fee to the same firm on any single project, or closely related work, does not exceed the

- amount of fifty thousand (\$50,000) dollars and the funds are within the approved, appropriate fund budget spending limit; or
2. The competitive selection process was not utilized, and the fee to the same firm on any single project, or closely related work does not exceed the amount of twenty five thousand (\$25,000) dollars, and the funds are within the approved, appropriate fund budget spending limit.

## **SECTION VI. PERSONAL SERVICES**

- A. The Executive Director shall be responsible for obtaining personal services when deemed necessary in carrying out normal TRL operations and ensuring that all applicable legal requirements are met.
- B. Personal services shall be provided by a consultant with professional or technical expertise to accomplish a specific study, project, task or other work statement, which may not reasonably be required in connection with a public works project meeting the definition of *RCW 39.04.010(4)*.

Personal services do not include purchased services or professional services procured using the competitive selection requirements in *RCW Chapter 39.80 (a) & (e)*.

- C. Where necessary in the conduct of normal TRL operations, the Executive Director may arrange for such services subject to the following conditions:
  1. The Executive Director is authorized to contract for such services where the estimated cost of the proposed service does not exceed the amount of twenty-five thousand (\$25,000) dollars, and the funds are within the approved, appropriate fund budget spending limit;
  2. Sole source service contracts more than twenty-five thousand (\$25,000) dollars shall be executed only after authorization by the Board of Trustees;
  3. Selecting, contracting and paying for all such services shall follow all required statutory procedures; and
  4. The Executive Director is authorized to make a determination as to whether substantial change in the scope of work specified in the contract warrants the work to be awarded as a new contract.
  5. Any Personal Services contracts signed by the Executive Director will be highlighted in the Financial Highlights Summary document that is presented at the Board of Trustees regular meeting.
  6. Where contracts for services are subject to approval by the Board of Trustees, increases in the approved contract amount may be approved by the Executive Director without prior approval of the Board of Trustees for amounts not to exceed ten percent (10%) of the last Board of Trustee approved total, provided that funds are within the approved, appropriate fund budget spending limit.

## **SECTION VII. LEGAL SERVICES AND OTHER REPRESENTATION**

- A. The Executive Director and Board of Trustees shall be responsible for management and supervision of all legal services required by TRL and for litigation in which TRL has an interest, direct or indirect, without the limitations otherwise proscribed in Section VI. herein. For purposes of this section



“litigation” shall mean the assertion of any position, right or responsibility by or against TRL, or in which TRL may have an interest, which has been filed in any court of general jurisdiction, be it state or federal, or any quasi-judicial or administrative forum. The Executive Director and Board of Trustees shall confer on all legal issues for guidance and policy direction.

B. General Legal Services:

The Executive Director, in consultation with the Board of Trustees, is authorized to retain legal counsel to provide legal services without the limitations otherwise proscribed in Section VI. herein. Retained legal counsel may act solely on behalf of the Library or jointly with other interested parties. Such engagement shall be upon authorization given to the Executive Director by the Board of Trustees.

C. Engagement of Other Legal Counsel Representatives:

In connection with litigation or other legal matters in which TRL has a direct or indirect interest, the Executive Director may engage, or cause to be engaged through TRL general counsel, other legal counsel representatives to act solely on behalf of TRL or jointly with other interested parties. Such engagement shall be upon authorization given by the Executive Director, when satisfied that such expenditure is necessary to the adequate preparation and representation of TRL’s position in such litigation and shall, whenever practicable, include consideration of an evaluation by general counsel of the litigation and an estimate of the probable cost of legal fees, expert fees and other litigation costs.

D. Engagement of Experts:

The Executive Director may engage or cause to be engaged through TRL general counsel, such experts as may be necessary to the orderly preparation of litigation in which TRL has a direct or indirect interest, within limitations otherwise prescribed in Section VI. herein. Such engagement shall be upon authorization given by the Executive Director after having been satisfied that such expenditure is necessary to the adequate preparation and representation of TRL’s position in such litigation and shall wherever practicable include evaluation of the litigation and an estimate of the probable cost of such experts.

E. Settlement of Claims Subject of Litigation:

Any matter which is the subject of litigation may be compromised and settled by the Executive Director without prior reference to the Board of Trustees provided that all of the conditions are met as follows:

1. The amount in controversy as stated in the pleadings does not exceed twenty five thousand (\$25,000) dollars; and
2. TRL’s general counsel shall certify to the Executive Director that such compromise and settlement is justified on the basis of the following:
  - a. Claims filed against TRL:
    - The likelihood that a judgment rendered in the case would be in the amount claimed, or higher than the amount claimed, or that there is reasonable cause to believe that there is considerable exposure of the liability for TRL; or



- The likelihood that the expenses involved in litigation would be unnecessarily high in relation to the amount claimed, or the likely result.
- b. Claims filed on behalf of TRL:
  - The determination to settle the claim outweighs the risk of resorting to litigation; or
  - That the settlement of the claim would provide prompt payment to TRL and eliminate extensive delays; or
  - The proposed offer of settlement is reasonable in light of the claim asserted.

## **SECTION VIII. ADJUSTMENT AND SETTLEMENT OF CLAIMS OTHER THAN CLAIMS SUBJECT TO LITIGATION**

- A. 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 TRL, shall be carried out. Necessary procedures in the handling of such claims shall include the following:
- B. For purposes of this section, "Claim" shall mean the assertion of any position, right or responsibility by or against TRL, but not including one (1) accounts receivable or two (2) claims asserted by or against TRL which have become the subject of litigation as defined in Section VII. above.
- C. No claims against TRL shall be considered unless and until proper notice has been serviced by the claimant upon TRL.
- D. Any individual claim that exceeds twenty-five thousand (\$25,000) dollars may be processed in all respects (except for final approval and payment) by the Executive Director and general counsel. All claims that, in the opinion of the Executive Director, may exceed twenty-five thousand (\$25,000) dollars shall be reported to the Board of Trustees promptly.
- E. Any single claim not exceeding twenty-five thousand (\$25,000) dollars may be adjusted and settled and paid by the Executive Director provided that all of the conditions are met as follows:
  - 1. General counsel shall certify to the Executive Director that payment of the claim is justified on the basis of the following:
    - a. A substantial likelihood that TRL is or could be found liable; or
    - b. The likelihood that a judgment rendered in the case would be in the amount claimed, or higher than the amount claimed or that there is reasonable cause to believe that there is considerable exposure of liability for TRL; or
    - c. The likelihood that the expenses involved with litigation would be unnecessarily high in relation to the amount claimed, or the likely result.
  - 2. Claims filed on behalf of TRL:
    - a. That the determination to settle the claim outweighs the risk of resorting to litigation;
    - b. That the settlement of the claim would provide prompt payment to TRL and eliminate extensive delays; and




- c. The proposed offer of settlement is reasonable when compared to the claim asserted.
3. All such claims, when paid, shall be reported to the Board of Trustees monthly.

6) **References:**

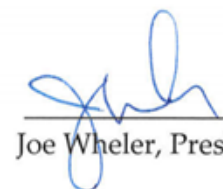
A. None.

7) **Citations:**

- A. TRL Resolution 01-04.
- B. *RCW 27.12.210 (5)*.
- C. *RCW 27.12.210 (10)*.
- D. *RCW 39.04.155*.
- E. *RCW 39.04.020*.
- F. *RCW 39.80*.
- G. *RCW 39.04.280 (1) (a) & (b)*.
- H. *RCW 39.04.280 (1) (d)*.
- I. *RCW 18.08, 18.43, and 18.96*.
- J. *RCW 39.04.010 (4)*.
- K. *RCW Chapter 39.80*.

 7/24/2019

Cheryl Heywood, Executive Director

 7/24/2019

Joe Wheeler, President

*By the enactment of this policy the Board of Trustees of Timberland Regional Library is concurrently rescinding any prior policy or procedure within TRL that is either in conflict with or expansive of the matters addressed in this policy.*