

Handout for Contractors Working for Port Townsend
Projects under \$35,000.00

1. **Prevailing wage** applies to any job, no matter how small, performed for a public agency. You must have an Intent to Pay Prevailing Wage approved by L&I before you receive your first payment. It costs \$40.00 to file an Intent and \$40.00 to file an Affidavit of Wages Paid. If the project costs less than \$2,500.00 (this includes all materials, equipment and taxes) the City can provide a Combined Intent and Affidavit of Wages Paid form. This is filled out and signed by you and turned in to the City. The City will complete the rest of the form and mail it to Labor and Industries. There is no charge.

If you are an Owner-Operator and have no other employees working on this job or have no more than two other partners working on this job you are exempt from paying prevailing wage but you still must file an Intent and Affidavit.

You must have an Affidavit of Wages paid approved by LNI to release any retainage or receive a final payment.

The fastest way to receive an approved Intent or Affidavit is to file online. You may open an account and file online at <http://www.lni.wa.gov/TradesLicensing/PrevWage/default.asp>

2. **Before you submit a bid or a quote** you must have a current certificate of registration as a contractor in compliance with chapter 18.27 RCW, which must have been in effect at the time of bid or quote submittal.

3. **Before contract award you must:**

- Have a current Washington Unified Business Identifier (UBI) number;
- Have Industrial Insurance (workers' compensation) coverage for the bidder's employees working in Washington;
- Have a Washington Employment Security Department number;
- Have a Washington Department of Revenue state excise tax registration number;
- Not be disqualified from bidding on any public works contract.

4. A **Port Townsend Business License** is required by any company doing business with the City even if the work takes place outside the City limits. You may not receive your first payment until you have a Port Townsend business license. To add Port Townsend to your State license go to the State of Washington website at <http://bls.dor.wa.gov/change.aspx> .

5. **W9** – The City is mandated by the Internal Revenue Service to maintain current completed W-9 forms for all vendors/payees. You must complete this form in order to receive payment.

6. **Mandatory Insurance Requirements.** All contractors working for the City must have:
Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and a \$2,000,000 products-completed operations aggregate limit.

There are circumstances when the insurance limits can be reduced. This is done on a case by case basis and is at the discretion of the Public Works Director. It is based on the amount of risk created by the work not necessarily by the size of the project.

7. The City chooses most of the contractors to submit quotes or bids from the **MRSC Shared Small Works Roster**. You may sign up for the roster at <http://www.mrscrosters.org/>. Please take a look at the list of information you will need in order to fill out the application. It includes items such as contractor's license number, Industrial Insurance number, UBI number and any bond or insurance information.

8. **A Performance Bond and Payment Bond** are required for all public works projects. For very small jobs or projects bid through the Limited Small Works process these bonds may be waived. The project manager who solicits a bid or quote should tell you before you place your bid if bonds will be required.

If bonds are required and the project is under \$35,000.00 you may choose the 50% retainage in lieu of bonds option. The retainage is held for 30 days after project closeout.

9. **Getting Paid.** The City pays invoices twice a month (the 15th and 30th). The invoices must be sent to Finance a few days before the 15th or 30th so the invoice must be turned in by you to the project manager a few days before that. The project manager can give you the invoice deadlines. Before you submit your invoice please make sure you have an approved Intent to Pay Prevailing Wage and a current Port Townsend business license.