



ANDERSON ISLAND PARK & RECREATION DISTRICT
ESTABLISHED 1968

PUBLIC PURCHASING and CONTRACTING CODE

Governing Purchasing and Contracting Practices

by the

Anderson Island Park & Recreation District

Approved: by Resolution 2013-3 effective January 16, 2013

These Rules and Procedures are intended to assure the public that the Anderson Island Park & Recreation District (hereinafter called AIPRD), located in Pierce County Washington, will engage in legally consistent, open, fair and competitive bidding and purchasing practices in the expenditure of public funds, regardless of the source of those public funds.

***Anderson Island Park & Recreation District
Anderson Island, Washington 98303***

RESOLUTION NO. 2013-3

A resolution of the Board of Commissioners of the Anderson Island Park & Recreation District, Pierce County, Washington, authorizing the adoption of a Public Purchasing and Contracting Code.

WHEREAS, the Anderson Island Park & Recreation District owns and operates facilities on Anderson Island for the benefit of its residents and taxpayers; and

WHEREAS, The District's Board of Commissioners has met in a public session and considered Draft #3 of the proposed AIP&RD Public Purchasing and Contracting Code and finds it an appropriate approach for purchasing and contracting,

NOW THEREFORE

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ANDERSON ISLAND PARK & RECREATION DISTRICT, AS FOLLOWS,

Draft #3 of the proposed Anderson Island Park & Recreation District Purchasing and Contracting Code is hereby adopted.

PASSED AND APPROVED this 16th day of January, 2013, by the Board of Commissioners of the Anderson Island Park & Recreation District.




Chairman



Commissioner

Attest:



Secretary



Commissioner

Anderson Island Park & Recreation District Public Purchasing and Contracting Code

- Section 1: Definitions**
- Section 2: Statement of Purpose**
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Section 1. Definitions.

For the purposes of the chapter the words set out in this section shall have the following meanings:

"Anderson Island Park & Recreation District" shall mean the area included within the boundaries of Anderson Island within unincorporated Pierce County for the purpose of taxing property within said boundaries for acquisition, development, maintenance and operation of the area parks property and facilities (hereafter called the District).

"Anderson Island Park & Recreation District Board of Commissioners" shall mean the governing body of the Anderson Island Park & Recreation District made up of elected or appointed Commissioners (hereafter called the AIPRD Board of Commissioners).

"Award" means the formal decision by the District Board of Commissioners notifying the responsible contractor with the lowest responsive bid or quote for a Public Works project of the acceptance of the bid or quote and the District's intention to enter into a contract for the project.

"Commissioner" shall mean any of the duly elected or appointed Anderson Island Park & Recreation District Commissioners, and/or their duly authorized agents or designees.

"Contract Award" shall mean the formal decision by the Park & Recreation District Board of Commissioners notifying a responsible bidder with the lowest responsive bid or quote of the District's acceptance of that bid or quote and the intent to enter into a contract with the bidder.

"Contracts Officer" shall mean that Commissioner elected by the Board to serve as the Contracts Officer, whose duty it is to prepare registries of qualified contractors, requests for proposal, and contract instruments to support lawful and effective contracting for services and materials; and to monitor contractor status and performance against contract requirements and conditions, and take or recommend corrective action as necessary.

"Equitably distribute" shall mean that the District may not favor certain contractors on the appropriate small works roster over other contractors on the appropriate small works roster who perform similar services.

“Estimated Total Project Cost” shall mean the good-faith estimated total construction cost, to include all materials, supplies, equipment and labor on the construction of the project, including applicable sales and use taxes, but excluding the value of volunteer labor and donated materials and equipment.

“Estimated Total Purchase Cost” shall mean the good-faith estimated total purchase cost of equipment, material or supplies to include handling, shipping and delivery charges, but excluding sales and use taxes.

“Limited public works process” shall mean the process, established by Resolution, that will be used to solicit and award Small Works Roster contracts with an estimated total project cost of less than thirty-five thousand dollars (\$35,000).

“Prevailing Wage” is the hourly wage, usual benefits, overtime, and holiday work pay paid in the largest city in each county, to the majority of workers, laborers, and mechanics performing work in the same trade or occupation.

“Public work” shall mean all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. All public works, including maintenance when performed by contract, shall comply with RCW 39.12 (prevailing wages).

“Purchase Order” shall mean the formal decision by the Park & Recreation District Board of Commissioners notifying a qualified equipment, material or supplies vendor with the lowest responsive quote of the District's acceptance of that quote and the intent to issue a purchase order to that vendor.

“Responsible Bidder - Public Work” Shall mean a project bidder who, as a contractor, meets all State mandated requirements (RCW 39.04.350) to include contractor registration, current bond, liability and industrial insurance coverage, possession of valid UBI and employment security numbers, and absence from the Department of Labor and Industries debarred contractor list; and who meets all “supplemental criteria” relevant to a specific project as adopted by the District pursuant to RCW 39.04.350.

“Small Works Roster” shall mean a list kept by a state agency or local government consisting of all responsible contractors who have requested to be on the list, and where required by law, are properly licensed or registered to perform such work in this State. The District's small works roster shall be kept by the Commissioner elected by the Board to serve as Contracts Officer.

“Vendor List” is a list kept by the District's Contracts Officer of available equipment, materials and supplies vendors doing business in Pierce County; or any list of available vendors kept on file in a statewide database for use by public agencies in Washington.

Section 2. Statement of Code Purpose

A. This Code governs three (3) types of contracts involving the expenditure of public funds as follows:

- 1. Purchase Contracts for equipment, materials and supplies; and**
- 2. Contracts for services not including architects and engineers; and**
- 3. Contracts for Public Works.**

B. This Code establishes District purchasing and contracting policy and associated procedures for the District within its lawful and statutory authority in four (4) areas. In all other instances, the District shall follow statutorily established policies, procedures and limits in its purchasing and contracting practices:

- 1. Purchase of equipment, materials and supplies not associated with a Public Works project and with a total estimated cost (excluding tax) not exceeding \$25,000.**
- 2. Contracting for services not including architectural and engineering services.**
- 3. Contracting for Public Works – projects eligible for use of a Small Works Roster process.**
- 4. Contracting for Public Works – projects eligible for use of the Limited Public Works process.**

Section 3. Purchase of Equipment, Materials, and Supplies

A. The purchase of equipment, materials or supplies in conjunction with a Public Works project must be processed as a Public Works Contract (see Section 5).

B. The purchase of stand-alone equipment, materials and supplies shall be governed by the policies and procedures set forth in this section, to the extent they are not in conflict with State law.

- 1. The District is not required to use statutory bidding procedures, or the alternative procedures adopted by resolution and set forth in this Section, to purchase materials, supplies, or equipment under the following circumstances:**
 - a. The purchase of any equipment, supplies, materials where the estimated total purchase cost of same will not exceed \$5,000.**
 - b. The purchase of equipment, materials and supplies through the Washington State Purchasing Cooperative.**
 - c. The District will strive to obtain the lowest practical cost for such materials, supplies and equipment.**
- 2. For the purchase of equipment, materials, and supplies with an estimated total purchase cost in an amount between \$5,000 and \$25,000, the District shall utilize the following and procedures:**

- a. **Vendor List.** A roster of available vendors shall be kept by the Contracts Administrator. At least once a year, the Contracts Administrator shall publish, in Pierce County's official newspaper, notice of the existence of a roster(s) of vendors for materials, supplies, and equipment; and shall solicit names of vendors for the District's Vendor Roster.
 - i. In addition to the District's own Vendor Roster, the District may also use any recognized statewide electronic database of qualified vendors developed and maintained for use by local governments in Washington.
- b. **Quotations.** The District shall use the following methods to obtain quotations from vendors for the purchase of materials, supplies, and equipment:
 - i. A written description shall be drafted of the specific materials, supplies, or equipment to be purchased, including the number, quantity, quality, and type desired, the proposed delivery date, and any other significant, relevant terms of purchase.
 - ii. The Contracts Administrator or designee shall make a good faith effort to contact at least three of the vendors on the roster by mail, e-mail or telephone to solicit quotations from the vendors for the required materials, supplies, or equipment.
 - iii. If the established Vendor Roster contains fewer than three potential vendors, the Contracts Administrator or his/her designee may solicit telephone quotations from vendors listed in the area telephone or industry directories.
 - iv. The Contracts Administrator or designee shall not share a telephone quotation from one vendor with other vendors solicited for a quotation the bid on the materials, supplies, or equipment until the contract is awarded.
 - v. A written record shall be made by the Contracts Administrator or designee of each vendor's quote, as well as any conditions imposed on the quotation by such vendor;
 - vi. The Contracts Administrator shall present to the District Board of Commissioners all quotations and a recommendation for award of the purchase order to the vendor with the lowest responsive quote.
 - vii. In determining lowest responsible quote, in addition to price, the following elements shall be given consideration:
 1. The ability, capacity, and skill of the bidder to perform the

contract or provide the service required;

2. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;

3. Bidder can perform within specified timeframe;

4. The quality of performance of previous contracts or services;

5. The previous and existing compliance by the bidder

with laws relating to the contract or services;

6. Such other information as may be secured having a bearing on the decision to award the contract.

viii. The District Board of Commissioners shall review quotations and recommendations by the Contracts Administrator and award the contract to the vendor with the lowest responsible quote.

ix. A written record of each vendor's quotations shall be made open to public inspection or telephone inquiry after the award of the contract. The purchase order documentation must include evidence that the purchasing requirements were met and state the reason the vendor was chosen.

x. If the purchase order is not awarded to the vendor with the lowest responsive quote, the District must document the specific factors which justified the selection of the successful vendor. Any purchase order awarded under this subsection need not be advertised.

c. Waiver of Bid Process. The competitive purchasing requirements and processes identified in Paragraphs A, B and C above may be waived by formal resolution of the District Board of Commissioners when any of the following conditions, as defined by RCW 39.04.280, are present:

i. Purchases that are clearly and legitimately limited to a single source of supply; or

ii. Purchases involving special facilities or market conditions; or

iii. Purchases in the event of an emergency; or

iv. Purchases of insurance or bonds.

3. For the purchase of materials, supplies or equipment not connected with a public works project and with an estimated total purchase cost in excess of \$25,000, the District shall follow a formal bid process as set out in RCW 36.32.245.

4. All purchase orders for equipment, materials, or supplies not connected with a Public Works project with an estimated total purchase cost in excess of \$5,000 shall be approved by a public majority vote of the District Board of Commissioners and signed by the Board Chair.

Section 4. Contracts for Services

A. State law does not provide guidelines for selecting most services providers — the notable exception being professional engineers and architects, to include landscape architects and land surveyors. The policy and procedures in this Section establish guidance for the District when requirements for contracted services arise.

B. Services typically covered by this policy and procedures include, but are not limited to professional services, Internet and computer network services, appraisals, consulting, planning, and wetlands evaluations. Professional Services vendors will typically provide advice, reports, opinions, representations, plans, etc. Professional Services providers may be referred to as consultants.

1. The processes for contracting the professional services of architects and engineers, including Architects, Landscape Architects, Engineers and Land Surveyors, are specified in RCW Chapter 39.80 and include specific advertising, quality-based selection and negotiation processes. The District shall follow these statutory processes in contracting for the professional services of architects and engineers.
2. For all services contracts not involving the services of architects or engineers, the District shall use the following process:
 - a. The District shall prepare a brief description of the services to be provided including the time frame, quality required, and sketches if appropriate, and
 - b. The District shall review/consult local community and County records, sources and references for consultants qualified to perform the work, and
 - c. The District shall request quotes from the identified consultant(s), and
 - d. The District shall evaluate the quotes against the following criteria:
 - i. Demonstrated ability, capacity and skill to perform the work within the time specified;
 - ii. Quoted price;
 - iii. Relevant character, integrity, reputation, and judgment; experience and efficiency to perform the work as demonstrated through prior District experience or trusted references;
 - e. The District Board of Commissioners retains the right to accept or reject any proposal for any reason, and to call for a new proposal from a new consultant.
3. All services contracts shall be approved by a public majority vote of the District Board of Commissioners and signed by the Board Chair.

Section 5. Public Works Contract Requirements

The District need not comply with statutorily defined formal sealed-bid procedures for the construction, building, renovation, remodeling, alteration, repair or improvement of real property where the good-faith estimated total cost does not exceed three hundred thousand dollars (\$300,000) to include all labor, materials, supplies, and equipment, but excluding sales and use taxes, when alternative methods to ensure a fair and competitive outcome, and the protection of the public's funds, have been adopted by resolution.

Alternative Bid Methods Adopted by Resolution. Alternative competitive bid processes have been authorized and defined by State statute for Public Works projects below certain estimated project total cost thresholds. The District has by resolution adopted the Small Works Roster process and the Limited Public Works process as detailed below.

Prohibited Practices. The breaking or segmenting of any project into units, or accomplishing any project in phases is prohibited if it is done for the purpose of avoiding the maximum estimated dollar amount for awarding a contract using the Small Works Roster process or the Limited Public Works process.

Determining Lowest Responsible Public Works Bidder. Regardless of the competitive bidding method utilized, the District shall award the contract for the public works project to the contractor with the lowest responsible quote provide that, whenever there is reason to believe the lowest responsible quote is not the best price attainable, all bids may be rejected and the District may call for new quotes. A responsible bidder will be a contractor who meets the mandatory requirements of RCW 39.04.350(1) and any supplemental responsibility criteria established by the District for the project under RCW39.04.350(2).

The contractor shall meet all statutory responsibility criteria to include registration, meeting specified bond, liability and industrial insurance coverage, possess valid UBI and employment security numbers, and not appear on a debarred list with the Washington Department of Labor and Industries.

The District may adopt relevant supplemental criteria for determining bidder responsibility applicable to a particular project which the bidder must meet. Such supplemental criteria for determining bidder responsibility, including the basis for evaluation and the deadline for appealing a determination that a bidder is not responsible, must be provided in the invitation to bid or bidding documents.

If the bidder fails to supply information requested concerning responsibility within the time and manner specified in the bid documents, the District may base its determination of responsibility upon any available information related to the supplemental criteria or may find the bidder not responsible. If the District determines a bidder to be not responsible, the District must provide, in writing, the reasons for the determination.

Contract Award. All Public Works contracts, regardless of value or bid methods used shall be awarded by a public vote of the District Board of Commissioners and signed by the Board Chair. The Board of Commissioners shall direct its Contracts Officer, or designee to issue a Notice of Contract Award to the successful bidder, and provide copies of that notice to the Washington Departments of Labor & Industries, Employment Security, and Revenue. After an award is made, all bids or quotations shall be open to public inspection and available by electronic request.

Bonding. By law (RCW 39.08.010), the District must call for a performance and payment bond, or authorized equivalent, for the contract. It is to be conditioned that the contractor shall faithfully perform all the provisions of such contract and pay all laborers, mechanics, and subcontractors and materialmen, and all persons who supply such person or persons, or subcontractors, with provisions and supplies for the carrying on of such work. The Performance and Payment Bond is to be issued by a surety company licensed to do business in Washington, shall be in the amount of 100% of the contract amount, shall be to the State of Washington, and shall be submitted on a District approved form.

Anyone who has a claim against the bond must file such a claim within thirty days from and after the completion of the contract with an acceptance of the work by the affirmative action of the District Board of Commissioners. Further, claimants shall present to and file with the District a notice in writing substantially as shown in the RCW 39.08.030.

Retainage. For Public Works projects, the District must withhold a sum of money as retainage from progress and other payments and must also have a contractor's Performance and Payment bond on file. However, for Public Works contracts under \$35,000, these requirements may be waived by the District under the District's Limited Public Works Process.

By law (RCW 60.28.011), the District must withhold five percent (5%) of money due the contractor until completion and acceptance of the project. This retainage is to be set aside as a trust fund for the claims of any person, including employees, subcontractors or suppliers, arising under the contract or the state with respect to Employment Security and Department of Revenue taxes due from such contractor. The contractor may submit a retainage bond in a form, and from a source acceptable to the District, equal to five percent (5%) of the estimated total contract cost in lieu of District-held retainage. At any time, the contractor may request that the contract retainage be reduced to 100% of the remaining contract payments.

Anyone who performs labor, provides materials, supplies or equipment or subcontracts to the prime contractor on a Public Works project must file any notice of lien against retainage within 45 days of the completion of all contract work, as signaled formal acceptance by the District

Board of Commissioners. State agencies, including the Department of Revenue, Employment Security and L& I, are to file notices of lien within 45 days also.

Release of Retainage. "Completion of all contract work" for purposes of determining retainage release shall be with the affirmative action of the District Board of Commissioners to accept the project. Such formal acceptance shall only occur after all L&I approved Prevailing Wage Affidavits (contractors and subcontractors) have been received by the District. Assuming no Notice(s) of Lien have been filed within the statutorily establish time limits for filing liens following completion of all contract work, release of all claims by the Washington Departments of Revenue, Labor and Industries and Employment Security have been received, all retainage shall be released within 60 days following completion of all contract work. The District shall retain those funds required to satisfy an Notice(s) of Lien. Generally, anyone who files a lien has four months from the time of filing to foreclose on the lien in Superior Court.

Section 6. Public Works Contracts -- Small Works Roster Process.

By resolution and in accordance with its statutory authority, the District has resolved to adopt the use of the Small Works Roster process for all construction, building, renovation, remodeling, alteration, repair, or improvement of real property projects where the good-faith estimated total project cost is between \$35,000 and \$300,000, to include the costs of all materials, supplies, equipment and labor. The District may use the Small Works Roster procedures for public works projects as set forth herein.

Design and Number of Rosters. The Contracts Administrator shall create a single general small works roster, and may create additional small works rosters for each different work specialty or category of anticipated work. Said small works rosters may make distinctions between contractors based upon different geographic areas served by the contractor. The District may participate in a shared small works roster with other government agencies. The District may also utilize any statewide electronic contractor database developed and maintained for use by local governments in the State of Washington.

Contractors on Small Works Roster(s). The small works roster(s) shall consist of all responsible contractors who have requested to be on the roster(s), and where required by law, are properly licensed or registered to perform such work in this State. At least once a year, the District shall publish in a newspaper of general circulation within its jurisdiction a notice of the existence of the roster or rosters, and shall solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to an appropriate roster or rosters at any time that they submit a written request and necessary documentation. The District may require master contracts to be signed that become effective when a specific award is made using a small works roster. Any interlocal contract or agreement between the District and other local governments establishing a small works roster or rosters to be used by the parties to the agreement or contract must clearly identify the lead entity that is responsible for implementing the small works roster provisions.

To be considered responsible, and eligible for listing on the District's Small Works Roster(s) the contractor must maintain current registration or licensure in good standing with the Washington Department of Labor and Industries to include specified bond, liability and industrial insurance coverage, valid UBI and employment security numbers, and to not appear on a the Department's debarred contractor list.

Quotations. The District may obtain telephone, written or electronic quotations for public works contracts from contractors on the appropriate Small Works Roster to assure that a competitive price is established and to award contracts to the lowest responsible bidder as defined in RCW 39.04.010 and RCW 39.04.350, as follows:

Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five (5) contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.

If the District chooses to not invite bids from all appropriate contractors on the appropriate small works roster, and the good-faith estimated total project cost is in excess of \$150,000, the District shall notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought by way of one or more of the following means:

- Publishing notice in a legal newspaper in general circulation in the area where the work is to be done;
- Mailing a notice to these contractors; or
- Sending a notice to these contractors by facsimile or other electronic means.

At the time bids are solicited, the Contracts Administrator or designee shall not inform a contractor of the terms or amount of any other contractor's bid for the same project.

A written record shall be made by the Contracts Administrator or designee of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.

Section 7. Limited Public Works Process.

If a public work construction, alteration, repair, improvement or contracted maintenance project is estimated to cost less than thirty-five thousand dollars (\$35,000), the District may award such a contract using the limited public works process as allowed under RCW 39.04.155(3) and outlined below:

The District shall solicit telephone, written or electronic quotations from a minimum of three (3) contractors from the appropriate small works roster to assure that a

competitive price is established and shall award the contract to the lowest responsible bidder as defined under RCW 39.04.010 and 39.04.350. After an award is made, the quotations shall be open to public inspection and available by electronic request.

The District 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.

For limited public works projects, the District may waive the payment and performance bond requirements of Chapter 39.08 RCW and the retainage requirements of Chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, materialmen, suppliers, and taxes imposed under RCW Title 82 that may be due from the contractor for the limited public works project. However, the District shall have the right of recovery against the contractor for any payments made on the contractor's behalf. Alternatively, on contracts of twenty-five thousand dollars (\$25,000) or less, and at the request of the contractor - the District may, in lieu of a Performance and Payment Bond, retain fifty percent (50%) of the contract amount for a period of thirty days after date of final acceptance, or until receipt of all necessary releases from the department of revenue and the department of labor and industries, and settlement of any liens filed under chapter 60.28 RCW, whichever is later.

Section 8. Prevailing Wage Requirements on Public Works Projects.

The Washington Prevailing Wages on Public Works Act (RCW 39.12) requires that certain employees (workers, laborers and mechanics) of government-paid contractors (and subcontractors) be paid no less than the "prevailing wage" for all "public work" they perform. Work as a "secretary, engineer or administrator", or work performed by the business owner(s) (at least 30% ownership) is not subject to the payment of prevailing wages. However, reporting requirements may still apply. Employees of the public agency are exempt.

- A. **Responsibilities of the District as an Awarding Agency.** The District must communicate to contractors and potential contractors whether or not the subject contract will involve "public work", in all bid documents and contracts. The District must state in the bid documents and contracts when the contractor's employees must be paid prevailing wages. The District must state in the contract that any dispute in connection with the contract that the parties cannot resolve themselves will be referred to the Director of the Washington Department of Labor and Industries (L&I) for binding arbitration. The District may not disburse any public funds to any contractor or subcontractor who has not submitted an Intent to Pay Prevailing Wages form to the District that has been approved by L&I. The District may not release final payment on a Public Works contract until all contractors and subcontractors on the project have submitted Affidavit forms which have been certified by L&I. All payment

invoices from the contractor progress payment during the contract period must include a statement of assurance from the contractor that Prevailing Wages are, in fact being paid. You will want to give the District copies of those L&I approved forms as soon as you receive them to minimize delays in payments. The District shall work proactively with its contractors to ensure prevailing wage compliance, including work site visits.

- B. Responsibilities of the Contractor on a Public Work Project.** It is each contractor's and sub-contractor's responsibility on a Public Works Contract project to determine the correct Prevailing Wage Labor Classification(s) for each employee in order to ensure correct wages are paid. Each and every contractor or subcontractor on a public works project must individually file a Statement of Intent to Pay Prevailing Wages form before work begins, and an Affidavit of Wages Paid form after work is completed for each contract to perform work – regardless of the size of the contract or the planned methods of work (e.g. employees, sub-contractors, self-perform).

Alternative Filing Method for Public Works Projects of \$2,500 or less. As an alternative for public works projects with a good-faith estimated total project cost of \$2,500 or less, the District may authorize the contractor or subcontractor to submit the Statement of Intent to Pay Prevailing Wages directly to the District Contracts Officer without approval by the Washington Department of Labor and Industries. The District shall retain such statement of Intent for a period of not less than three (3) years.

Upon final acceptance of the public works project, the District shall require the contractor or subcontractor to submit an Affidavit of Wages Paid. Upon the receipt of the Affidavit, the District may pay the contractor or subcontractor in full, including other funds that would otherwise be retained. Within 30 days, the District shall submit the Affidavit to the Department of Labor and Industries for approval.

In the event of a wage claim and a finding for the claimant by the Department of Labor and Industries where the District has used this alternative process, the District shall pay the wages due directly to the claimant. If the contractor or subcontractor did not pay the wages stated in the affidavit of wages paid, the District may take legal action to seek reimbursement from the contractor or subcontractor of wages paid to the claimant and may prohibit the contractor from bidding on any public works projects of the District for up to one year. RCW 3.12.040(2)