SUBSTITUTE SENATE BILL 6365

State of Washington 62nd Legislature 2012 Regular Session

Senate Operations, Tribal Relations Elections By Government & (originally sponsored by Senators Hatfield, Swecker, Prentice, Holmquist Newbry, Pridemore, Haugen, Hobbs, Parlette, and Shin)

READ FIRST TIME 02/03/12.

AN ACT Relating to waiving and clarifying certain requirements for port district small public works projects; and amending RCW 53.08.120 and 53.08.135.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 Sec. 1. RCW 53.08.120 and 2009 c 74 s 2 are each amended to read 6 as follows:

7 (1) All material and work required by a port district not meeting 8 the definition of public work in RCW 39.04.010(((4))) may be procured 9 in the open market or by contract and all work ordered may be done by 10 contract or day labor.

11 (2)(a) All such contracts for work meeting the definition of "public work" in RCW 39.04.010(((4))), the estimated cost of which 12 13 exceeds three hundred thousand dollars, shall be awarded using a 14 competitive bid process. The contract must be awarded at public 15 bidding upon notice published in a newspaper of general circulation in 16 the district at least thirteen days before the last date upon which 17 bids will be received, calling for bids upon the work, plans and 18 specifications for which shall then be on file in the office of the commission for public inspection. The same notice may call for bids on 19

such work or material based upon plans and specifications submitted by the bidder. The competitive bidding requirements for purchases or public works may be waived pursuant to RCW 39.04.280 if an exemption contained within that section applies to the purchase or public work.

5 (b) For all contracts related to work meeting the definition of 6 "public work" in RCW 39.04.010(((4))) that are estimated at three 7 hundred thousand dollars or less, a port district may let contracts 8 using the small works roster process under RCW 39.04.155 in lieu of 9 advertising for bids. Whenever possible, the managing official shall 10 invite at least one proposal from a minority contractor who shall 11 otherwise qualify under this section.

When awarding such a contract for work, when utilizing proposals from the small works roster, the managing official shall give weight to the contractor submitting the lowest and best proposal, and whenever it would not violate the public interest, such contracts shall be distributed equally among contractors, including minority contractors, on the small works roster.

(c)(i) For contracts for work meeting the definition of "public 18 work" as defined in RCW 39.04.010, the estimated cost of which is 19 20 between five thousand dollars and thirty-five thousand dollars, port districts are exempt from the requirements of RCW 53.08.130 and may 21 award contracts based on price quotations received from responsible 22 contractors. Port districts shall reasonably attempt to equitably 23 24 distribute the opportunity to provide price quotations among responsible contractors that perform similar services. Contractors do 25 26 not need to be listed on the port district's small works roster to be 27 eligible. Contracts may not be negotiated after receipt of the price quotation or be amended by the addition of work that was not included 28 within the intent of the original price quotation. "Equitably 29 distribute" has the same meaning as in RCW 39.04.155. 30

31 (ii) Any port district procuring public work under this subsection 32 (2)(c) shall not break apart larger scopes of work for the purpose of 33 avoiding the public bidding requirements under this section or RCW 34 53.08.130.

35 (iii)(A) A port district may waive the payment and performance bond 36 requirements under chapter 39.08 RCW or the retainage requirements 37 under chapter 60.28 RCW, or both, for projects performed under this 38 subsection (2)(c).

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(B) A port district electing to waive payment and performance bonds 1 under this subsection (2)(c)(iii) assumes the liability for the 2 contractor's and his or her subcontractors' nonpayment of laborers, 3 mechanics, subcontractors, materialpersons, and suppliers. The port 4 district has the right of recovery against the contractor for any 5 б payments made on the contractor's or his or her subcontractors' behalf. 7 (C) A port district electing to waive the retainage requirements under this subsection (2)(c)(iii) assumes the liability for the 8 contractor's or his or her subcontractors' nonpayment of laborers, 9 mechanics, subcontractors, materialpersons, suppliers, and taxes 10 imposed under Titles 50, 51, and 82 RCW. The port district has the 11 right of recovery against the contractor for any payments made on the 12 13 contractor's or his or her subcontractors' behalf. (D) A port district electing to waive payment and performance bonds 14

15 or retainage, or both, under this subsection (2)(c)(iii) must establish
16 and adopt procedures implementing the requirements of this section.

17 (d) For contracts for work meeting the definition of "public work" 18 as defined in RCW 39.04.010, the estimated cost of which does not 19 exceed five thousand dollars, port districts are exempt from the 20 requirements of RCW 53.08.130 and any advertisement and competitive 21 bidding requirements.

(e) All price quotations for public work procured under (c) or (d) of this subsection must be logged and be open to public inspection and made available electronically by request.

25 (f) Any work performed under this subsection (2) is subject to the 26 requirements of chapter 39.12 RCW. For projects with estimated costs 27 not exceeding five thousand dollars, a port district may utilize the 28 alternative prevailing wage procedures as described in RCW 29 <u>39.12.040(2).</u>

30 (3) A port district may meet the notification requirements under 31 RCW 39.04.020 by publishing an annual notification before beginning the 32 public work that describes the nature and value of the work to be 33 parformed

33 <u>performed</u>.

34 **Sec. 2.** RCW 53.08.135 and 1982 c 92 s 2 are each amended to read 35 as follows:

Port districts ((shall)) may determine if ((any)) <u>a</u> construction project over forty thousand dollars can be accomplished ((less 1 expensively)) more efficiently by contracting out. If contracting out 2 is ((less expensive)) more efficient, the port district may contract 3 out such project.

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