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**SUBSTITUTE HOUSE BILL 2505**

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**State of Washington                      52nd Legislature                      1992 Regular Session**

**By** House Committee on Local Government (originally sponsored by Representatives Cooper, Ferguson and Haugen)

Read first time 02/05/92.

1            AN ACT Relating to bidding practices of municipalities; and  
2 amending RCW 39.04.155, 39.04.190, 39.04.200, 39.30.045, 36.32.040,  
3 36.32.253, 36.32.245, 36.32.250, 35.22.620, 35.23.352, 52.14.110,  
4 52.14.120, 53.08.120, 54.04.070, 54.04.082, 56.08.070, 56.08.080,  
5 56.08.090, 57.08.015, 57.08.016, 57.08.050, and 70.44.140.

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

7            **Sec. 1.** RCW 39.04.155 and 1991 c 363 s 109 are each amended to  
8 read as follows:

9            (1) This section provides a uniform process to award contracts for  
10 public works projects by those ((counties)) municipalities that are  
11 authorized to use a small works roster in lieu of the requirements for  
12 formal sealed bidding. The state statutes governing ((counties)) a  
13 specific type of municipality shall establish the maximum dollar  
14 thresholds of the contracts that can be awarded under this process, and

1 may include other matters concerning the small works roster process,  
2 for the ((county)) municipality.

3 (2) ((Counties)) Such municipalities may create a single general  
4 small works roster, or may create a small works roster for different  
5 categories of anticipated work. The small works roster or rosters  
6 shall consist of all responsible contractors who have requested to be  
7 on the list, and where required by law are properly licensed or  
8 registered to perform such work in this state. At least ((once)) twice  
9 a year, the ((county)) municipality shall publish in a newspaper of  
10 general circulation within the jurisdiction a notice of the existence  
11 of the roster or rosters and solicit the names of contractors for such  
12 roster or rosters.

13 The governing body of the ((county)) municipality shall establish  
14 a procedure for securing telephone or written quotations from the  
15 contractors on the general small works roster, or a specific small  
16 works roster for the appropriate category of work, to assure that a  
17 competitive price is established and to award contracts to the lowest  
18 responsible bidder, as defined in RCW 43.19.1911. Such invitations for  
19 quotations shall include an estimate of the scope and nature of the  
20 work to be performed as well as materials and equipment to be  
21 furnished. Whenever possible at least five contractors shall be  
22 invited to submit bids. Once a contractor has been afforded an  
23 opportunity to submit a proposal, that contractor shall not be offered  
24 another opportunity until all other appropriate contractors on the  
25 small works roster have been afforded an opportunity to submit a  
26 proposal on a contract. Proposals may be invited from all appropriate  
27 contractors on the small works roster.

28 A contract awarded from a small works roster under this section  
29 need not be advertised.

1 Immediately after an award is made, the bid quotations obtained  
2 shall be recorded, open to public inspection, and available by  
3 telephone inquiry.

4 **Sec. 2.** RCW 39.04.190 and 1991 c 363 s 110 are each amended to  
5 read as follows:

6 (1) This section provides a uniform process to award contracts for  
7 the purchase of any materials, equipment, supplies, or services by  
8 those ((counties)) municipalities that are authorized to use this  
9 process in lieu of the requirements for formal sealed bidding. The  
10 state statutes governing ((counties)) a specific type of municipality  
11 shall establish the maximum dollar thresholds of the contracts that can  
12 be awarded under this process, and may include other matters concerning  
13 the awarding of contracts for purchases, for the ((county))  
14 municipality.

15 (2) At least ((once)) twice per year, the ((county)) municipality  
16 shall publish in a newspaper of general circulation within the  
17 jurisdiction a notice of the existence of vendor lists and solicit the  
18 names of vendors for the lists. ((Counties)) Municipalities shall by  
19 resolution establish a procedure for securing telephone or written  
20 quotations, or both, from at least three different vendors whenever  
21 possible to assure that a competitive price is established and for  
22 awarding the contracts for the purchase of any materials, equipment,  
23 supplies, or services to the lowest responsible bidder as defined in  
24 RCW 43.19.1911. Immediately after the award is made, the bid quotations  
25 obtained shall be recorded, open to public inspection, and shall be  
26 available by telephone inquiry. A contract awarded pursuant to this  
27 section need not be advertised.

1       **Sec. 3.** RCW 39.04.200 and 1991 c 363 s 111 are each amended to  
2 read as follows:

3       Any ((~~county~~)) municipality that utilizes the small works roster  
4 process established in RCW 39.04.155 to award contracts for public  
5 works projects, or the uniform process established in RCW 39.04.190 to  
6 award contracts for purchases, must post a list of the contracts  
7 awarded under RCW 39.04.155 and 39.04.190 at least once every two  
8 months. The list shall contain the name of the contractor or vendor  
9 awarded the contract, the amount of the contract, a brief description  
10 of the type of work performed or items purchased under the contract,  
11 and the date it was awarded. The list shall also state the location  
12 where the bid quotations for these contracts are available for public  
13 inspection.

14       **Sec. 4.** RCW 39.30.045 and 1991 c 363 s 112 are each amended to  
15 read as follows:

16       Any ((~~county~~)) municipality, as defined in RCW 39.04.010, may  
17 purchase any supplies, equipment, or materials at auctions conducted by  
18 the government of the United States or any agency thereof, any agency  
19 of the state of Washington, any municipality or other government  
20 agency, or any private party without being subject to public bidding  
21 requirements if the items can be obtained at a competitive price.

22       **Sec. 5.** RCW 36.32.240 and 1991 c 363 s 57 are each amended to read  
23 as follows:

24       In any county the county legislative authority may by resolution  
25 establish a county purchasing department. The purchasing department  
26 shall contract on a competitive basis for all public works, enter into  
27 leases of personal property on a competitive basis, and purchase all  
28 supplies, materials, and equipment, on a competitive basis, for all

1 departments of the county, as provided in this chapter and chapter  
2 39.04 RCW, except that the county purchasing department is not required  
3 to make purchases for the county hospital, or make purchases that are  
4 paid from the county road fund or equipment rental and revolving fund.

5 **Sec. 6.** RCW 36.32.253 and 1991 c 363 s 63 are each amended to read  
6 as follows:

7 No lease of personal property may be entered into by the county  
8 legislative authority or by any elected or appointed officer of the  
9 county (~~until after bids have been submitted to the county. The~~  
10 ~~county shall use the same~~) except upon use of the procedures specified  
11 in ((RCW 36.32.245 and 39.04.190)) this chapter and chapter 39.04 RCW  
12 for awarding contracts for purchases when it leases property from the  
13 lowest responsible bidder.

14 **Sec. 7.** RCW 36.32.245 and 1991 c 363 s 62 are each amended to read  
15 as follows:

16 (1) No contract for the purchase of materials, equipment, supplies,  
17 or services may be entered into by the county legislative authority or  
18 by any elected or appointed officer of the county until after bids have  
19 been submitted to the county. Bid specifications shall be in writing  
20 and shall be filed with the clerk of the county legislative authority  
21 for public inspection. An advertisement shall be published in the  
22 official newspaper of the county stating the time and place where bids  
23 will be opened, the time after which bids will not be received, the  
24 materials, equipment, supplies, or services to be purchased, and that  
25 the specifications may be seen at the office of the clerk of the county  
26 legislative authority. The advertisement shall be published at least  
27 once at least (~~ten~~) thirteen days prior to the last date upon which  
28 bids will be received.

1 (2) The bids shall be in writing and filed with the clerk. The  
2 bids shall be opened and read in public at the time and place named in  
3 the advertisement. Contracts requiring competitive bidding under this  
4 section may be awarded only to the lowest responsible bidder.  
5 Immediately after the award is made, the bid quotations shall be  
6 recorded and open to public inspection and shall be available by  
7 telephone inquiry. Any or all bids may be rejected for good cause.

8 (3) For advertisement and formal sealed bidding to be dispensed  
9 with as to purchases between two thousand five hundred and twenty-five  
10 thousand dollars, the county legislative authority must use the uniform  
11 process to award contracts as provided in RCW 39.04.190. Advertisement  
12 and formal sealed bidding may be dispensed with as to purchases of less  
13 than two thousand five hundred dollars upon the order of the county  
14 legislative authority.

15 (4) This section does not apply to performance-based contracts, as  
16 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A  
17 RCW; or contracts and purchases for the printing of election ballots,  
18 voting machine labels, and all other election material containing the  
19 names of candidates and ballot titles.

20 (5) Nothing in this section shall prohibit the legislative  
21 authority of any county from allowing for preferential purchase of  
22 products made from recycled materials or products that may be recycled  
23 or reused.

24 **Sec. 8.** RCW 36.32.250 and 1991 c 363 s 58 are each amended to read  
25 as follows:

26 No contract for public works may be entered into by the county  
27 legislative authority or by any elected or appointed officer of the  
28 county until after bids have been submitted to the county upon  
29 specifications therefor. Such specifications shall be in writing and

1 shall be filed with the clerk of the county legislative authority for  
2 public inspection. An advertisement shall be published in the county  
3 official newspaper stating the time and place where bids will be  
4 opened, the time after which bids will not be received, the character  
5 of the work to be done, the materials and equipment to be furnished,  
6 and that specifications therefor may be seen at the office of the clerk  
7 of the county legislative authority. An advertisement shall also be  
8 published in a legal newspaper of general circulation in or as near as  
9 possible to that part of the county in which such work is to be done.  
10 If the county official newspaper is a newspaper of general circulation  
11 covering at least forty percent of the residences in that part of the  
12 county in which such public works are to be done, then the publication  
13 of an advertisement of the applicable specifications in the county  
14 official newspaper shall be sufficient. Such advertisements shall be  
15 published at least once at least (~~ten~~) thirteen days prior to the  
16 last date upon which bids will be received. The bids shall be in  
17 writing, shall be filed with the clerk, shall be opened and read in  
18 public at the time and place named therefor in the advertisements, and  
19 after being opened, shall be filed for public inspection. No bid may  
20 be considered for public work unless it is accompanied by a bid deposit  
21 in the form of a surety bond, postal money order, cash, cashier's  
22 check, or certified check in an amount equal to five percent of the  
23 amount of the bid proposed. The contract for the public work shall be  
24 awarded to the lowest responsible bidder. Any or all bids may be  
25 rejected for good cause. The county legislative authority shall  
26 require from the successful bidder for such public work a contractor's  
27 bond in the amount and with the conditions imposed by law. If the  
28 bidder to whom the contract is awarded fails to enter into the contract  
29 and furnish the contractor's bond as required within ten days after  
30 notice of the award, exclusive of the day of notice, the amount of the

1 bid deposit shall be forfeited to the county and the contract awarded  
2 to the next lowest and best bidder. The bid deposit of all  
3 unsuccessful bidders shall be returned after the contract is awarded  
4 and the required contractor's bond given by the successful bidder is  
5 accepted by the county legislative authority. In the letting of any  
6 contract for public works involving less than ten thousand dollars,  
7 advertisement and competitive bidding may be dispensed with on order of  
8 the county legislative authority. Immediately after the award is made,  
9 the bid quotations obtained shall be recorded and open to public  
10 inspection and shall be available by telephone inquiry.

11 For advertisement and competitive bidding to be dispensed with as  
12 to public works projects with an estimated value of ten thousand  
13 dollars up to one hundred thousand dollars (~~or less~~), a county must  
14 use a small works roster process as provided in RCW 39.04.155.

15 This section does not apply to performance-based contracts, as  
16 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A  
17 RCW.

18 **Sec. 9.** RCW 35.22.620 and 1989 c 431 s 59 are each amended to read  
19 as follows:

20 (1) As used in this section, the term "public works" means as  
21 defined in RCW 39.04.010.

22 (2) A first class city may have public works performed by contract  
23 pursuant to public notice and call for competitive bids. As limited by  
24 subsection (3) of this section, a first class city may have public  
25 works performed by city employees in any annual or biennial budget  
26 period equal to a dollar value not exceeding ten percent of the public  
27 works construction budget, including any amount in a supplemental  
28 public works construction budget, over the budget period. The amount  
29 of public works that a first class city has a county perform for it

1 under RCW 35.77.020 shall be included within this ten percent  
2 limitation.

3 If a first class city has public works performed by public  
4 employees in any budget period that are in excess of this ten percent  
5 limitation, the amount in excess of the permitted amount shall be  
6 reduced from the otherwise permitted amount of public works that may be  
7 performed by public employees for that city in its next budget period.  
8 Twenty percent of the motor vehicle fuel tax distributions to that city  
9 shall be withheld if two years after the year in which the excess  
10 amount of work occurred, the city has failed to so reduce the amount of  
11 public works that it has performed by public employees. The amount so  
12 withheld shall be distributed to the city when it has demonstrated in  
13 its reports to the state auditor that the amount of public works it has  
14 performed by public employees has been so reduced.

15 Whenever a first class city has had public works performed in any  
16 budget period up to the maximum permitted amount for that budget  
17 period, all remaining public works within that budget period shall be  
18 done by contract pursuant to public notice and call for competitive  
19 bids.

20 The state auditor shall report to the state treasurer any first  
21 class city that exceeds this amount and the extent to which the city  
22 has or has not reduced the amount of public works it has performed by  
23 public employees in subsequent years.

24 (3) In addition to the percentage limitation provided in subsection  
25 (2) of this section, a first class city with a population in excess of  
26 one hundred fifty thousand shall not have public employees perform a  
27 public works project in excess of fifty thousand dollars if more than  
28 a single craft or trade is involved with the public works project, or  
29 a public works project in excess of twenty-five thousand dollars if  
30 only a single craft or trade is involved with the public works project

1 or the public works project is street signalization or street lighting.  
2 In addition to the percentage limitation provided in subsection (2) of  
3 this section, a first class city with a population of one hundred fifty  
4 thousand or less shall not have public employees perform a public works  
5 project in excess of thirty-five thousand dollars if more than one  
6 craft or trade is involved with the public works project, or a public  
7 works project in excess of twenty thousand dollars if only a single  
8 craft or trade is involved with the public works project or the public  
9 works project is street signalization or street lighting. A public  
10 works project means a complete project. The restrictions in this  
11 subsection do not permit the division of the project into units of work  
12 or classes of work to avoid the restriction on work that may be  
13 performed by day labor on a single project.

14 (4) In addition to the accounting and record-keeping requirements  
15 contained in RCW 39.04.070, every first class city annually shall  
16 prepare a report for the state auditor indicating the total public  
17 works construction budget and supplemental public works construction  
18 budget for that year, the total construction costs of public works  
19 performed by public employees for that year, and the amount of public  
20 works that is performed by public employees above or below ten percent  
21 of the total construction budget. However, if a city budgets on a  
22 biennial basis, this annual report shall indicate the amount of public  
23 works that is performed by public employees within the current biennial  
24 period that is above or below ten percent of the total biennial  
25 construction budget.

26 After September 1, 1987, each first class city with a population of  
27 one hundred fifty thousand or less shall use the form required by RCW  
28 43.09.205 to account and record costs of public works in excess of five  
29 thousand dollars that are not let by contract.

1 (5) The cost of a separate public works project shall be the costs  
2 of materials, supplies, equipment, and labor on the construction of  
3 that project. The value of the public works budget shall be the value  
4 of all the separate public works projects within the budget.

5 (6) When any emergency shall require the immediate execution of  
6 such public work, upon the finding of the existence of such emergency  
7 by the authority having power to direct such public work to be done and  
8 duly entered of record, publication of description and estimate may be  
9 made within seven days after the commencement of the work. Within two  
10 weeks of the finding that such an emergency existed, the city council  
11 shall adopt a resolution certifying the existence of this emergency  
12 situation.

13 (7) In lieu of the procedures of subsections (2) and (6) of this  
14 section, a first class city may use a small works roster process and  
15 award contracts ~~((under this subsection for contracts))~~ for public  
16 works projects with an estimated value of one hundred thousand dollars  
17 or less as provided in RCW 39.04.155.

18 ~~((a) The city may maintain a small works roster comprised of all~~  
19 ~~contractors who have requested to be on the roster and are, where~~  
20 ~~required by law, properly licensed or registered to perform such work~~  
21 ~~in this state.~~

22 ~~(b) Whenever work is done by contract, the estimated cost of which~~  
23 ~~is one hundred thousand dollars or less, and the city uses the small~~  
24 ~~works roster, the city shall invite proposals from all appropriate~~  
25 ~~contractors on the small works roster: PROVIDED, That not less than~~  
26 ~~five separate appropriate contractors, if available, shall be invited~~  
27 ~~to submit bids on any one contract: PROVIDED FURTHER, That))~~ Whenever  
28 possible, the city shall invite at least one proposal from a minority  
29 or woman contractor who shall otherwise qualify under this section.

30 ~~((Once a bidder on the small works roster has been offered an~~

1 opportunity to bid, that bidder shall not be offered another  
2 opportunity until all other appropriate contractors on the small works  
3 roster have been afforded an opportunity to submit a bid. Invitations  
4 shall include an estimate of the scope and nature of the work to be  
5 performed, and materials and equipment to be furnished.

6 (c) ~~When awarding such a contract for work, the estimated cost of~~  
7 ~~which is one hundred thousand dollars or less, the city shall award the~~  
8 ~~contract to the contractor submitting the lowest responsible bid.)~~

9 (8) The allocation of public works projects to be performed by city  
10 employees shall not be subject to a collective bargaining agreement.

11 (9) This section does not apply to performance-based contracts, as  
12 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A  
13 RCW.

14 (10) Nothing in this section shall prohibit any first class city  
15 from allowing for preferential purchase of products made from recycled  
16 materials or products that may be recycled or reused.

17 **Sec. 10.** RCW 35.23.352 and 1989 c 431 s 56 are each amended to  
18 read as follows:

19 (1) Any second or third class city or any town may construct any  
20 public works, as defined in RCW 39.04.010, by contract or day labor  
21 without calling for bids therefor whenever the estimated cost of the  
22 work or improvement, including cost of materials, supplies and  
23 equipment will not exceed the sum of thirty thousand dollars if more  
24 than one craft or trade is involved with the public works, or twenty  
25 thousand dollars if a single craft or trade is involved with the public  
26 works or the public works project is street signalization or street  
27 lighting. A public works project means a complete project. The  
28 restrictions in this subsection do not permit the division of the

1 project into units of work or classes of work to avoid the restriction  
2 on work that may be performed by day labor on a single project.

3 Whenever the cost of the public work or improvement, including  
4 materials, supplies and equipment, will exceed these figures, the same  
5 shall be done by contract. All such contracts shall be let at public  
6 bidding upon ~~((posting))~~ publication of notice calling for sealed bids  
7 upon the work. The notice ~~((thereof shall be posted in a public place  
8 in the city or town and by publication))~~ shall be published in the  
9 official newspaper, or a newspaper of general circulation most likely  
10 to bring responsive bids, ~~((once each week for two consecutive weeks  
11 before))~~ at least thirteen days prior to the ~~((date fixed for opening  
12 the bids))~~ last date upon which bids will be received. The notice  
13 shall generally state the nature of the work to be done that plans and  
14 specifications therefor shall then be on file in the city or town hall  
15 for public inspections, and require that bids be sealed and filed with  
16 the council or commission within the time specified therein. Each bid  
17 shall be accompanied by a bid proposal deposit in the form of a  
18 cashier's check, postal money order, or surety bond to the council or  
19 commission for a sum of not less than five percent of the amount of the  
20 bid, and no bid shall be considered unless accompanied by such bid  
21 proposal deposit. The council or commission of the city or town shall  
22 let the contract to the lowest responsible bidder or shall have power  
23 by resolution to reject any or all bids and to make further calls for  
24 bids in the same manner as the original call.

25 When the contract is let then all bid proposal deposits shall be  
26 returned to the bidders except that of the successful bidder which  
27 shall be retained until a contract is entered into and a bond to  
28 perform the work furnished, with surety satisfactory to the council or  
29 commission, in ~~((the full amount of the contract price))~~ accordance  
30 with RCW 39.08.030. If the bidder fails to enter into the contract in

1 accordance with his or her bid and furnish a bond within ten days from  
2 the date at which he or she is notified that he or she is the  
3 successful bidder, the check or postal money order and the amount  
4 thereof shall be forfeited to the council or commission or the council  
5 or commission shall recover the amount of the surety bond.

6 If no bid is received on the first call the council or commission  
7 may readvertise and make a second call, or may enter into a contract  
8 without any further call or may purchase the supplies, material or  
9 equipment and perform the work or improvement by day labor.

10 (2) The allocation of public works projects to be performed by city  
11 or town employees shall not be subject to a collective bargaining  
12 agreement.

13 (3) In lieu of the procedures of subsection (1) of this section, a  
14 second or third class city or a town may use a small works roster  
15 process and award public works contracts (~~((under this subsection for~~  
16 ~~contracts))~~ with an estimated value of one hundred thousand dollars or  
17 less as provided in RCW 39.04.155.

18 (~~((a) The city or town may maintain a small works roster comprised~~  
19 ~~of all contractors who have requested to be on the roster and are,~~  
20 ~~where required by law, properly licensed or registered to perform such~~  
21 ~~work in this state.~~

22 (~~(b) Whenever work is done by contract, the estimated cost of which~~  
23 ~~is one hundred thousand dollars or less, and the city uses the small~~  
24 ~~works roster, the city or town shall invite proposals from all~~  
25 ~~appropriate contractors on the small works roster: PROVIDED, That))~~  
26 Whenever possible, the city or town shall invite at least one proposal  
27 from a minority or woman contractor who shall otherwise qualify under  
28 this section. ((The invitation shall include an estimate of the scope  
29 and nature of the work to be performed, and materials and equipment to  
30 be furnished.

1       ~~(c) When awarding such a contract for work, the estimated cost of~~  
2 ~~which is one hundred thousand dollars or less, the city or town shall~~  
3 ~~award the contract to the contractor submitting the lowest responsible~~  
4 ~~bid.))~~

5       (4) After September 1, 1987, each second class city, third class  
6 city, and town shall use the form required by RCW 43.09.205 to account  
7 and record costs of public works in excess of five thousand dollars  
8 that are not let by contract.

9       (5) The cost of a separate public works project shall be the costs  
10 of the materials, equipment, supplies, and labor on that construction  
11 project.

12       (6) Any purchase of supplies, material, equipment or services other  
13 than professional services, except for public work or improvement,  
14 where the cost thereof exceeds seven thousand five hundred dollars  
15 shall be made upon call for bids(~~(:~~—PROVIDED, That the limitations  
16 herein shall not apply to any purchases of materials at auctions  
17 conducted by the government of the United States, any agency thereof or  
18 by the state of Washington or a political subdivision thereof)).

19       (7) Bids shall be called annually and at a time and in the manner  
20 prescribed by ordinance for the publication in a newspaper (~~(published~~  
21 ~~or))~~ of general circulation in the city or town of all notices or  
22 newspaper publications required by law. The contract shall be awarded  
23 to the lowest responsible bidder.

24       (8) For advertisement and (~~(competitive))~~ formal sealed bidding to  
25 be dispensed with as to purchases between seven thousand five hundred  
26 and fifteen thousand dollars, the city legislative authority must  
27 authorize by resolution ((~~(a)),~~ use of the uniform procedure ((~~for~~  
28 ~~securing telephone and/or written quotations from enough vendors to~~  
29 ~~assure establishment of a competitive price and for awarding the~~  
30 ~~contracts for purchase of materials, equipment, or services to the~~

1 lowest responsible bidder. Immediately after the award is made, the  
2 bid quotations obtained shall be recorded and open to public inspection  
3 and shall be available by telephone inquiry)) provided in RCW  
4 39.04.190.

5 (9) These requirements for purchasing may be waived by resolution  
6 of the city or town council which declared that the purchase is clearly  
7 and legitimately limited to a single source or supply within the near  
8 vicinity, or the materials, supplies, equipment, or services are  
9 subject to special market conditions, and recites why this situation  
10 exists. Such actions are subject to RCW 39.30.020.

11 (10) This section does not apply to performance-based contracts, as  
12 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A  
13 RCW.

14 (11) Nothing in this section shall prohibit any second or third  
15 class city or any town from allowing for preferential purchase of  
16 products made from recycled materials or products that may be recycled  
17 or reused.

18 **Sec. 11.** RCW 52.14.110 and 1984 c 238 s 3 are each amended to read  
19 as follows:

20 Insofar as practicable, purchases and any public works by the  
21 district shall be based on competitive bids. A formal sealed bid  
22 procedure shall be used as standard procedure for purchases and  
23 contracts for purchases executed by the board of commissioners. Formal  
24 sealed bidding shall not be required for:

25 (1) Emergency purchases if the sealed bidding procedure would  
26 prevent or hinder the emergency from being addressed appropriately.  
27 The term emergency means an occurrence that creates an immediate threat  
28 to life or property;

1 (2) The purchase of any materials, supplies, or equipment if the  
2 cost will not exceed the sum of (~~ten~~) four thousand five hundred  
3 dollars(~~(: PROVIDED, That)~~). However, whenever the estimated cost is  
4 from (~~forty five hundred~~) four thousand five hundred dollars up to  
5 ten thousand dollars, the commissioners (~~shall require quotations from~~  
6 at least three different sources to be obtained in writing or by  
7 telephone, and recorded for public perusal to assure establishment of  
8 a competitive price for such purchase)) may by resolution use the  
9 process provided in RCW 39.04.190 to award contracts;

10 (3) Contracting for work to be done involving the construction or  
11 improvement of a fire station or other buildings where the estimated  
12 cost will not exceed the sum of two thousand five hundred dollars,  
13 which includes the costs of labor, material, and equipment. However,  
14 whenever the estimated cost is from two thousand five hundred dollars  
15 up to ten thousand dollars, the commissioner may by resolution use the  
16 small works roster process provided in RCW 39.04.155;

17 (4) Purchases which are clearly and legitimately limited to a  
18 single source of supply, or services, in which instances the purchase  
19 price may be best established by direct negotiation: PROVIDED, That  
20 this subsection shall not apply to purchases or contracts relating to  
21 public works as defined in chapter 39.04 RCW; and

22 (5) Purchases of insurance and bonds.

23 **Sec. 12.** RCW 52.14.120 and 1984 c 238 s 4 are each amended to read  
24 as follows:

25 (1) Notice of the call for bids shall be given by (~~posting notice~~  
26 ~~in three public places in the district and by publication once each~~  
27 ~~week for two consecutive weeks. The posting and first publication~~  
28 ~~shall be at least two weeks before the date fixed for opening of the~~  
29 ~~bids, and the publication shall be~~) publishing the notice in a

1 newspaper of general circulation within the district at least thirteen  
2 days before the last date upon which bids will be received. If no bid  
3 is received on the first call, the commissioners may readvertise and  
4 make a second call, or may enter into a contract without a further  
5 call.

6 (2) A public work involving three or more specialty contractors  
7 requires that the district retain the services of a general contractor  
8 as defined in RCW 18.27.010.

9 **Sec. 13.** RCW 53.08.120 and 1988 c 235 s 1 are each amended to read  
10 as follows:

11 All material required by a port district may be procured in the  
12 open market or by contract and all work ordered may be done by contract  
13 or day labor. All such contracts for work, the estimated cost of which  
14 exceeds one hundred thousand dollars, shall be let at public bidding  
15 upon notice published in a newspaper of general circulation in the  
16 district at least ~~((ten))~~ thirteen days before the ~~((letting))~~ last  
17 date upon which bids will be received, calling for sealed bids upon the  
18 work, plans and specifications for which shall then be on file in the  
19 office of the commission for public inspection. The same notice may  
20 call for bids on such work or material based upon plans and  
21 specifications submitted by the bidder.

22 Each port district shall maintain a small works roster ~~((which~~  
23 ~~shall be comprised of all contractors who have requested to be on the~~  
24 ~~roster and are, where required by law, properly licensed or registered~~  
25 ~~to perform such work in the state of Washington.))~~, as provided in RCW  
26 39.04.155, and may use the small works roster process to award  
27 contracts in lieu of calling for sealed bids whenever work is done by  
28 contract, the estimated cost of which is one hundred thousand dollars  
29 or less~~((, the managing official of the port district may invite~~

1 ~~proposals from all appropriate contractors on the small works roster:~~  
2 ~~PROVIDED, That not less than five separate appropriate contractors~~  
3 ~~shall be invited to submit proposals on any individual contract:~~  
4 ~~PROVIDED FURTHER, That~~)). Whenever possible, the managing official  
5 shall invite at least one proposal from a minority contractor who shall  
6 otherwise qualify under this section. ((~~Such invitation shall include~~  
7 ~~an estimate of the scope and nature of the work to be performed, and~~  
8 ~~materials and equipment to be furnished.~~))

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

15 **Sec. 14.** RCW 54.04.070 and 1990 c 251 s 1 are each amended to read  
16 as follows:

17 Any item, or items of the same kind of materials, equipment, or  
18 supplies purchased, the estimated cost of which is in excess of five  
19 thousand dollars, exclusive of sales tax shall be by contract:  
20 PROVIDED, That a district may make purchases of the same kind of items  
21 of materials, equipment and supplies not exceeding five thousand  
22 dollars in any calendar month without a contract, purchasing any excess  
23 thereof over five thousand dollars by contract. Any work ordered by a  
24 district commission, the estimated cost of which is in excess of ten  
25 thousand dollars exclusive of sales tax, shall be by contract, except  
26 that a district commission may have its own regularly employed  
27 personnel perform work which is an accepted industry practice under  
28 prudent utility management without a contract. Prudent utility  
29 management means performing work with regularly employed personnel

1 utilizing material of a worth not exceeding fifty thousand dollars in  
2 value without a contract: PROVIDED, That such limit on the value of  
3 material being utilized in work being performed by regularly employed  
4 personnel shall not include the value of individual items of equipment  
5 purchased or acquired and used as one unit of a project. Before  
6 awarding such a contract, the commission shall publish a notice once or  
7 more in a newspaper of general circulation in the district at least  
8 ~~((twenty))~~ thirteen days before the ~~((letting of the contract))~~ last  
9 date upon which bids will be received, inviting sealed proposals for  
10 the work or materials; plans and specifications of which shall at the  
11 time of the publication be on file at the office of the district  
12 subject to public inspection: PROVIDED, That any published notice  
13 ordering work to be performed for the district shall be mailed at the  
14 time of publication to any established trade association which files a  
15 written request with the district to receive such notices. The  
16 commission may at the same time and as part of the same notice, invite  
17 tenders for the work or materials upon plans and specifications to be  
18 submitted by the bidders.

19 Notwithstanding any other provisions herein, all contract projects,  
20 the estimated cost of which is less than one hundred thousand dollars,  
21 may be awarded to a contractor on the small works roster. The small  
22 works roster shall be comprised of all responsible contractors who have  
23 requested to be on the list. The commission shall authorize by  
24 resolution a procedure for securing telephone and/or written quotations  
25 from the contractors on the small works roster to assure establishment  
26 of a competitive price and for awarding contracts to the lowest  
27 responsible bidder. Such procedure shall require that a good-faith  
28 effort be made to request quotations from all contractors on the small  
29 works roster. Immediately after an award is made, the bid quotations  
30 obtained shall be recorded, open to public inspection, and available by

1 telephone inquiry. The small works roster shall be revised once a  
2 year. All contract projects equal to or in excess of one hundred  
3 thousand dollars shall be let by competitive bidding.

4 Whenever equipment or materials required by a district are held by  
5 a governmental agency and are available for sale but such agency is  
6 unwilling to submit a proposal, the commission may ascertain the price  
7 of such items and file a statement of such price supported by the sworn  
8 affidavit of one member of the commission and may consider such price  
9 as a bid without a deposit or bond. In the event of an emergency when  
10 the public interest or property of the district would suffer material  
11 injury or damage by delay, upon resolution of the commission, or  
12 proclamation of an official designated by the board to act for the  
13 board during such emergencies, declaring the existence of such  
14 emergency and reciting the facts constituting the same, the board, or  
15 the official acting for the board, may waive the requirements of this  
16 chapter with reference to any purchase or contract, after having taken  
17 precautions to secure the lowest price practicable under the  
18 circumstances.

19 After determination by the commission during a public meeting that  
20 a particular purchase is available clearly and legitimately only from  
21 a single source of supply, the bidding requirements of this section may  
22 be waived by the commission.

23 **Sec. 15.** RCW 54.04.082 and 1977 ex.s. c 116 s 1 are each amended  
24 to read as follows:

25 For the awarding of a contract to purchase any item, or items of  
26 the same kind of materials, equipment, or supplies in an amount  
27 exceeding five thousand dollars, but less than fifteen thousand  
28 dollars, exclusive of sales tax, the commission may, in lieu of the  
29 procedure described in RCW 54.04.070 and 54.04.080 requiring public

1 notice to invite sealed proposals for such materials, equipment, or  
2 supplies, (~~authorize by~~) pursuant to commission resolution (~~a staff~~  
3 ~~procedure for securing telephone and/or written quotations from enough~~  
4 ~~vendors to assure establishment of a competitive price and for awarding~~  
5 ~~such contracts for purchase of materials, equipment, or supplies to the~~  
6 ~~lowest responsible bidder. Immediately after the award is made, the bid~~  
7 ~~quotations obtained shall be recorded and shall be posted or otherwise~~  
8 ~~made available at the office of the commission or any other officially~~  
9 ~~designated location)) use the process provided in RCW 39.04.190.  
10 Waiver of the deposit or bid bond required under RCW 54.04.080 may be  
11 authorized by the commission in securing such bid quotations.~~

12 **Sec. 16.** RCW 56.08.070 and 1989 c 105 s 1 are each amended to read  
13 as follows:

14 (1) All materials purchased and work ordered, the estimated cost of  
15 which is in excess of five thousand dollars shall be let by contract.  
16 All contract projects, the estimated cost of which is less than fifty  
17 thousand dollars, may be awarded to a contractor (~~on~~) using the small  
18 works roster(~~. The small works roster shall be comprised of all~~  
19 ~~responsible contractors who have requested to be on the list)) process  
20 provided in RCW 39.04.155 or the process provided in RCW 39.04.190 for  
21 purchases. The board of sewer commissioners may set up uniform  
22 procedures to prequalify contractors for inclusion on the small works  
23 roster. (~~The board of sewer commissioners shall authorize by~~  
24 ~~resolution a procedure for securing telephone and/or written quotations~~  
25 ~~from the contractors on the small works roster to assure establishment~~  
26 ~~of a competitive price and for awarding contracts to the lowest~~  
27 ~~responsible bidder. Such procedure shall require that a good faith~~  
28 ~~effort be made to request quotations from all contractors on the small~~  
29 ~~works roster. Immediately after an award is made, the bid quotations~~~~

1 ~~obtained shall be recorded, open to public inspection, and available by~~  
2 ~~telephone inquiry. The small works roster shall be revised once a~~  
3 ~~year.))~~ All contract projects equal to or in excess of fifty thousand  
4 dollars shall be let by competitive bidding. Before awarding any  
5 competitive contract the board of sewer commissioners shall ~~((cause))~~  
6 publish a notice ~~((to be published))~~ in a newspaper ~~((in))~~ of general  
7 circulation where the district is located at least once, ~~((ten))~~  
8 thirteen days before the ~~((letting of such contract))~~ last date upon  
9 which bids will be received, inviting sealed proposals for such work,  
10 plans and specifications which must at the time of publication of such  
11 notice be on file in the office of the board of sewer commissioners  
12 subject to public inspection. Such notice shall state generally the  
13 work to be done and shall call for proposals for doing the same to be  
14 sealed and filed with the board of sewer commissioners on or before the  
15 day and hour named therein.

16 (2) Each bid shall be accompanied by a bid proposal deposit in the  
17 form of a certified check, cashier's check, postal money order, or  
18 surety bond payable to the order of the county treasurer for a sum not  
19 less than five percent of the amount of the bid and no bid shall be  
20 considered unless accompanied by such bid proposal deposit. At the  
21 time and place named such bids shall be publicly opened and read and  
22 the board of sewer commissioners shall proceed to canvass the bids and  
23 may let such contract to the lowest responsible bidder upon plans and  
24 specifications: PROVIDED, That no contract shall be let in excess of  
25 the cost of ~~((said))~~ the materials or work, or if in the opinion of the  
26 board of sewer commissioners all bids are unsatisfactory they may  
27 reject all of them and readvertise and in such case all checks, cash or  
28 bid bonds shall be returned to the bidders. If such contract be let,  
29 then all checks, cash or bid bonds shall be returned to the bidders,  
30 except that of the successful bidder, which shall be retained until a

1 contract shall be entered into for the purchase of such materials or  
2 doing such work, and a bond to perform such work furnished with  
3 sureties satisfactory to the board of sewer commissioners in the full  
4 amount of the contract price between the bidder and the commission in  
5 accordance with bid. If (~~said~~) the bidder fails to enter into  
6 (~~said~~) the contract in accordance with (~~said~~) the bid and furnish  
7 such bond within ten days from the date at which (~~he~~) the bidder is  
8 notified that he or she is the successful bidder, the (~~said~~) check,  
9 cash, or bid bonds and the amount thereof shall be forfeited to the  
10 sewer district.

11 (3) In the event of an emergency when the public interest or  
12 property of the sewer district would suffer material injury or damage  
13 by delay, upon resolution of the board of sewer commissioners, or  
14 proclamation of an official designated by the board to act for the  
15 board during such emergencies, declaring the existence of such  
16 emergency and reciting the facts constituting the same, the board, or  
17 the official acting for the board, may waive the requirements of this  
18 chapter with reference to any purchase or contract. In addition, these  
19 requirements may be waived for purchases which are clearly and  
20 legitimately limited to a single source of supply and purchases  
21 involving special facilities, services, or market conditions, in which  
22 instances the purchase price may be best established by direct  
23 negotiation.

24 **Sec. 17.** RCW 56.08.080 and 1989 c 308 s 5 are each amended to read  
25 as follows:

26 The board of commissioners of a sewer district may sell, at public  
27 or private sale, property belonging to the district if the board  
28 determines that the property is not and will not be needed for district  
29 purposes and if the board gives notice of intention to sell as in this

1 section provided: PROVIDED, That no notice of intention is required to  
2 sell personal property of less than two thousand five hundred dollars  
3 in value.

4 The notice of intention to sell shall be published once a week for  
5 (~~three~~) two consecutive weeks in a newspaper of general circulation  
6 in the district. (~~The last publication shall be at least twenty days  
7 but not more than thirty days before the date of sale.~~) The notice  
8 shall describe the property and state the time and place at which it  
9 will be sold or offered for sale, the terms of sale, whether the  
10 property is to be sold at public or private sale, and if at public sale  
11 the notice shall call for bids, fix the conditions thereof and shall  
12 reserve the right to reject any and all bids.

13 **Sec. 18.** RCW 56.08.090 and 1989 c 308 s 6 are each amended to read  
14 as follows:

15 (1) Subject to the provisions of subsection (2) of this section, no  
16 real property valued at two thousand five hundred dollars or more of  
17 the district shall be sold for less than ninety percent of the value  
18 thereof as established by a written appraisal made not more than six  
19 months prior to the date of sale by three disinterested real estate  
20 brokers licensed under the laws of the state or professionally  
21 designated real estate appraisers as defined in RCW 74.46.020. The  
22 appraisal shall be signed by the appraisers and filed with the  
23 secretary of the board of commissioners of the district, who shall keep  
24 it at the office of the district open to public inspection. Any notice  
25 of intention to sell real property of the district shall recite the  
26 appraised value thereof: PROVIDED, That there shall be no private sale  
27 of real property where the appraised value exceeds the sum of two  
28 thousand five hundred dollars.

1 (2) If no purchasers can be obtained for the property at ninety  
2 percent or more of its appraised value after one hundred (~~eighty~~)  
3 twenty days of offering the property for sale, the board of  
4 commissioners of the sewer district may adopt a resolution stating that  
5 the district has been unable to sell the property at the ninety percent  
6 amount. The sewer district then may sell the property at the highest  
7 price it can obtain at public auction. A notice of intention to sell  
8 at public auction shall be published once a week for (~~three~~) two  
9 consecutive weeks in a newspaper of general circulation in the sewer  
10 district. (~~The last publication shall be at least twenty days but not~~  
11 ~~more than thirty days before the date of sale.~~) The notice shall  
12 describe the property, state the time and place at which it will be  
13 offered for sale and the terms of sale, and shall call for bids, fix  
14 the conditions thereof, and reserve the right to reject any and all  
15 bids.

16 **Sec. 19.** RCW 57.08.015 and 1989 c 308 s 7 are each amended to read  
17 as follows:

18 The board of commissioners of a water district may sell, at public  
19 or private sale, property belonging to the district if the board  
20 determines that the property is not and will not be needed for district  
21 purposes and if the board gives notice of intention to sell as in this  
22 section provided: PROVIDED, That no such notice of intention shall be  
23 required to sell personal property of less than two thousand five  
24 hundred dollars in value.

25 The notice of intention to sell shall be published once a week for  
26 (~~three~~) two consecutive weeks in a newspaper of general circulation  
27 in the district. (~~The last publication shall be at least twenty days~~  
28 ~~but not more than thirty days before the date of sale.~~) The notice  
29 shall describe the property and state the time and place at which it

1 will be sold or offered for sale, the terms of sale, whether the  
2 property is to be sold at public or private sale, and if at public sale  
3 the notice shall call for bids, fix the conditions thereof and shall  
4 reserve the right to reject any and all bids.

5 **Sec. 20.** RCW 57.08.016 and 1989 c 308 s 8 are each amended to read  
6 as follows:

7 (1) Subject to the provisions of subsection (2) of this section, no  
8 real property valued at two thousand five hundred dollars or more of  
9 the district shall be sold for less than ninety percent of the value  
10 thereof as established by a written appraisal made not more than six  
11 months prior to the date of sale by three disinterested real estate  
12 brokers licensed under the laws of the state or professionally  
13 designated real estate appraisers as defined in RCW 74.46.020. The  
14 appraisal shall be signed by the appraisers and filed with the  
15 secretary of the board of commissioners of the district, who shall keep  
16 it at the office of the district open to public inspection. Any notice  
17 of intention to sell real property of the district shall recite the  
18 appraised value thereof: PROVIDED, That there shall be no private sale  
19 of real property where the appraised value exceeds the sum of two  
20 thousand five hundred dollars.

21 (2) If no purchasers can be obtained for the property at ninety  
22 percent or more of its appraised value after one hundred (~~eighty~~)  
23 twenty days of offering the property for sale, the board of  
24 commissioners of the water district may adopt a resolution stating that  
25 the district has been unable to sell the property at the ninety percent  
26 amount. The water district then may sell the property at the highest  
27 price it can obtain at public auction. A notice of intention to sell  
28 at public auction shall be published once a week for (~~three~~) two  
29 consecutive weeks in a newspaper of general circulation in the water

1 district. (~~The last publication shall be at least twenty days but not~~  
2 ~~more than thirty days before the date of sale.~~) The notice shall  
3 describe the property, state the time and place at which it will be  
4 offered for sale and the terms of sale, and shall call for bids, fix  
5 the conditions thereof, and reserve the right to reject any and all  
6 bids.

7 **Sec. 21.** RCW 57.08.050 and 1989 c 105 s 2 are each amended to read  
8 as follows:

9 (1) The board of water commissioners shall have authority to create  
10 and fill such positions and fix salaries and bonds thereof as it may by  
11 resolution provide.

12 (2) All materials purchased and work ordered, the estimated cost of  
13 which is in excess of five thousand dollars shall be let by contract.  
14 All contract projects, the estimated cost of which is less than fifty  
15 thousand dollars, may be awarded to a contractor (~~(on the)~~) using a  
16 small works roster(~~(. The small works roster shall be comprised of all~~  
17 ~~responsible contractors who have requested to be on the list)~~) process  
18 provided in RCW 39.04.155 or the process provided in RCW 39.04.190 for  
19 purchases. The board of water commissioners may set up uniform  
20 procedures to prequalify contractors for inclusion on the small works  
21 roster. (~~The board of water commissioners shall authorize by~~  
22 ~~resolution a procedure for securing telephone and/or written quotations~~  
23 ~~from the contractors on the small works roster to assure establishment~~  
24 ~~of a competitive price and for awarding contracts to the lowest~~  
25 ~~responsible bidder. Such procedure shall require that a good faith~~  
26 ~~effort be made to request quotations from all contractors on the small~~  
27 ~~works roster. Immediately after an award is made, the bid quotations~~  
28 ~~obtained shall be recorded, open to public inspection, and available by~~  
29 ~~telephone inquiry. The small works roster shall be revised once a~~

1 year-)) All contract projects equal to or in excess of fifty thousand  
2 dollars shall be let by competitive bidding. Before awarding any such  
3 contract the board of water commissioners shall ((~~cause~~)) publish a  
4 notice ((~~to be published~~)) in a newspaper ((~~in~~)) of general circulation  
5 where the district is located at least once ((~~ten~~)) thirteen days  
6 before the ((~~letting of such contract~~)) last date upon which bids will  
7 be received, inviting sealed proposals for such work, plans and  
8 specifications which must at the time of publication of such notice be  
9 on file in the office of the board of water commissioners subject to  
10 public inspection. Such notice shall state generally the work to be  
11 done and shall call for proposals for doing the same to be sealed and  
12 filed with the board of water commissioners on or before the day and  
13 hour named therein.

14 (3) Each bid shall be accompanied by a certified or cashier's check  
15 or postal money order payable to the order of the county treasurer for  
16 a sum not less than five percent of the amount of the bid, or  
17 accompanied by a bid bond in an amount not less than five percent of  
18 the bid with a corporate surety licensed to do business in the state,  
19 conditioned that the bidder will pay the district as liquidated damages  
20 the amount specified in the bond, unless ((~~he~~)) the bidder enters into  
21 a contract in accordance with his or her bid, and no bid shall be  
22 considered unless accompanied by such check, cash or bid bond. At the  
23 time and place named such bids shall be publicly opened and read and  
24 the board of water commissioners shall proceed to canvass the bids and  
25 may let such contract to the lowest responsible bidder upon plans and  
26 specifications on file or to the best bidder submitting his or her own  
27 plans and specifications: PROVIDED, That no contract shall be let in  
28 excess of the cost of ((~~said~~)) the materials or work, or if in the  
29 opinion of the board of water commissioners all bids are unsatisfactory  
30 they may reject all of them and readvertise and in such case all

1 checks, cash or bid bonds shall be returned to the bidders. If such  
2 contract be let, then all checks, cash or bid bonds shall be returned  
3 to the bidders, except that of the successful bidder, which shall be  
4 retained until a contract shall be entered into for the purchase of  
5 such materials or doing such work, and a bond to perform such work  
6 furnished with sureties satisfactory to the board of water  
7 commissioners in the full amount of the contract price between the  
8 bidder and the commission in accordance with the bid. If ((said)) the  
9 bidder fails to enter into ((said)) the contract in accordance with  
10 ((said)) the bid and furnish such bond within ten days from the date at  
11 which ((he)) the bidder is notified that he or she is the successful  
12 bidder, the ((said)) check, cash or bid bonds and the amount thereof  
13 shall be forfeited to the water district: PROVIDED, That if the bidder  
14 fails to enter into a contract in accordance with his or her bid, and  
15 the board of water commissioners deems it necessary to take legal  
16 action to collect on any bid bond required herein, then the water  
17 district shall be entitled to collect from ((said)) the bidder any  
18 legal expenses, including reasonable attorneys' fees occasioned  
19 thereby.

20 (4) In the event of an emergency when the public interest or  
21 property of the water district would suffer material injury or damage  
22 by delay, upon resolution of the board of water commissioners, or  
23 proclamation of an official designated by the board to act for the  
24 board during such emergencies, declaring the existence of such  
25 emergency and reciting the facts constituting the same, the board, or  
26 official acting for the board, may waive the requirements of this  
27 chapter with reference to any purchase or contract. In addition, these  
28 requirements may be waived for purchases which are clearly and  
29 legitimately limited to a single source of supply and purchases  
30 involving special facilities, services, or market conditions, in which

1 instances the purchase price may be best established by direct  
2 negotiation.

3 **Sec. 22.** RCW 70.44.140 and 1965 c 83 s 1 are each amended to read  
4 as follows:

5 (1) All materials purchased and work ordered, the estimated cost of  
6 which is in excess of five thousand dollars, shall be by contract.  
7 Before awarding any such contract, the commission shall ~~((cause to be  
8 published))~~ publish a notice at least ~~((thirty))~~ thirteen days before  
9 the ~~((letting of said contract))~~ last date upon which bids will be  
10 received, inviting sealed proposals for such work~~((  ))~~. The plans and  
11 specifications ~~((which))~~ must at the time of the publication of such  
12 notice be on file at the office of the public hospital district,  
13 subject to public inspection: PROVIDED, HOWEVER, That the commission  
14 may at the same time, and as part of the same notice, invite tenders  
15 for ~~((said))~~ the work or materials upon plans and specifications to be  
16 submitted by bidders. ~~((Such))~~ The notice shall state generally the  
17 work to be done, and shall call for proposals for doing the same, to be  
18 sealed and filed with the commission on or before the day and hour  
19 named therein. Each bid shall be accompanied by bid proposal security  
20 in the form of a certified check, cashier's check, postal money order,  
21 or surety bond made payable to the order of the commission, for a sum  
22 not less than five percent of the amount of the bid, and no bid shall  
23 be considered unless accompanied by such bid proposal security. At the  
24 time and place named, such bids shall be publicly opened and read, and  
25 the commission shall proceed to canvass the bids, and may let such  
26 contract to the lowest responsible bidder upon plans and specifications  
27 on file, or to the best bidder submitting his or her own plans and  
28 specifications: PROVIDED, HOWEVER, That no contract shall be let in  
29 excess of the estimated cost of ~~((said))~~ the materials or work, or if,

1 in the opinion of the commission, all bids are unsatisfactory, they may  
2 reject all of them and readvertise, and in such case all bid proposal  
3 security shall be returned to the bidders; but if such contract be let,  
4 then and in such case all bid proposal security shall be returned to  
5 the bidders, except that of the successful bidder, which shall be  
6 retained until a contract shall be entered into for the purchase of  
7 such materials for doing such work, and a bond to perform such work  
8 furnished, with sureties satisfactory to the commission, in an amount  
9 to be fixed by the commission, not less than twenty-five percent of  
10 contract price in any case, between the bidder and commission, in  
11 accordance with the bid. If such bidder fails to enter into ((said))  
12 the contract in accordance with ((said)) the bid and furnish such bond  
13 within ten days from the date at which ((he)) the bidder is notified  
14 that he or she is the successful bidder, the ((said)) bid proposal  
15 security and the amount thereof shall be forfeited to the public  
16 hospital district.

17 (2) In lieu of the procedures of subsection (1) of this section, a  
18 public hospital district may use a small works roster process and award  
19 public works contracts for projects in excess of five thousand dollars  
20 up to fifty thousand dollars as provided in RCW 39.04.155.

21 (3) For advertisement and formal sealed bidding to be dispensed  
22 with as to purchases between five thousand and fifteen thousand  
23 dollars, the commission must authorize by resolution a procedure as  
24 provided in RCW 39.04.190.