

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5048

Chapter 198, Laws of 1993

53rd Legislature
1993 Regular Session

MUNICIPAL PUBLIC WORKS CONTRACTS--BIDDING PRACTICES--REVISIONS

EFFECTIVE DATE: 7/25/93

Passed by the Senate April 17, 1993
YEAS 41 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House April 13, 1993
YEAS 98 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved May 6, 1993

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5048** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

May 6, 1993 - 1:16 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5048

AS AMENDED BY THE HOUSE

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senator Haugen)

Read first time 01/27/93.

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, 36.32.240,
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
15 may include other matters concerning the small works roster process,
16 for the ((county)) municipality.

17 (2) ((Counties)) Such municipalities may create a single general
18 small works roster, or may create a small works roster for different
19 categories of anticipated work. The small works roster or rosters

1 shall consist of all responsible contractors who have requested to be
2 on the list, and where required by law are properly licensed or
3 registered to perform such work in this state. At least ((~~once~~)) twice
4 a year, the ((~~county~~)) municipality shall publish in a newspaper of
5 general circulation within the jurisdiction a notice of the existence
6 of the roster or rosters and solicit the names of contractors for such
7 roster or rosters.

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

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

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

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

30 (1) This section provides a uniform process to award contracts for
31 the purchase of any materials, equipment, supplies, or services by
32 those ((~~counties~~)) municipalities that are authorized to use this
33 process in lieu of the requirements for formal sealed bidding. The
34 state statutes governing ((~~counties~~)) a specific type of municipality
35 shall establish the maximum dollar thresholds of the contracts that can
36 be awarded under this process, and may include other matters concerning
37 the awarding of contracts for purchases, for the ((~~county~~))
38 municipality.

1 (2) At least (~~once~~) twice per year, the (~~county~~) municipality
2 shall publish in a newspaper of general circulation within the
3 jurisdiction a notice of the existence of vendor lists and solicit the
4 names of vendors for the lists. (~~Counties~~) Municipalities shall by
5 resolution establish a procedure for securing telephone or written
6 quotations, or both, from at least three different vendors whenever
7 possible to assure that a competitive price is established and for
8 awarding the contracts for the purchase of any materials, equipment,
9 supplies, or services to the lowest responsible bidder as defined in
10 RCW 43.19.1911. Immediately after the award is made, the bid quotations
11 obtained shall be recorded, open to public inspection, and shall be
12 available by telephone inquiry. A contract awarded pursuant to this
13 section need not be advertised.

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

16 Any (~~county~~) municipality that utilizes the small works roster
17 process established in RCW 39.04.155 to award contracts for public
18 works projects, or the uniform process established in RCW 39.04.190 to
19 award contracts for purchases, must post a list of the contracts
20 awarded under RCW 39.04.155 and 39.04.190 at least once every two
21 months. The list shall contain the name of the contractor or vendor
22 awarded the contract, the amount of the contract, a brief description
23 of the type of work performed or items purchased under the contract,
24 and the date it was awarded. The list shall also state the location
25 where the bid quotations for these contracts are available for public
26 inspection.

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

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

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

1 In any county the county legislative authority may by resolution
2 establish a county purchasing department. In each county which
3 exercises this option, the purchasing department shall contract on a
4 competitive basis for all public works, enter into leases of personal
5 property on a competitive basis, and purchase all supplies, materials,
6 and equipment, on a competitive basis, for all departments of the
7 county, as provided in this chapter and chapter 39.04 RCW, except that
8 the county purchasing department is not required to make purchases for
9 the county hospital, or make purchases that are paid from the county
10 road fund or equipment rental and revolving fund.

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

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

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

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

35 (2) The bids shall be in writing and filed with the clerk. The
36 bids shall be opened and read in public at the time and place named in
37 the advertisement. Contracts requiring competitive bidding under this

1 section may be awarded only to the lowest responsible bidder.
2 Immediately after the award is made, the bid quotations shall be
3 recorded and open to public inspection and shall be available by
4 telephone inquiry. Any or all bids may be rejected for good cause.

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

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

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

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

23 No contract for public works may be entered into by the county
24 legislative authority or by any elected or appointed officer of the
25 county until after bids have been submitted to the county upon
26 specifications therefor. Such specifications shall be in writing and
27 shall be filed with the clerk of the county legislative authority for
28 public inspection. An advertisement shall be published in the county
29 official newspaper stating the time and place where bids will be
30 opened, the time after which bids will not be received, the character
31 of the work to be done, the materials and equipment to be furnished,
32 and that specifications therefor may be seen at the office of the clerk
33 of the county legislative authority. An advertisement shall also be
34 published in a legal newspaper of general circulation in or as near as
35 possible to that part of the county in which such work is to be done.
36 If the county official newspaper is a newspaper of general circulation
37 covering at least forty percent of the residences in that part of the
38 county in which such public works are to be done, then the publication

1 of an advertisement of the applicable specifications in the county
2 official newspaper shall be sufficient. Such advertisements shall be
3 published at least once at least (~~ten~~) thirteen days prior to the
4 last date upon which bids will be received. The bids shall be in
5 writing, shall be filed with the clerk, shall be opened and read in
6 public at the time and place named therefor in the advertisements, and
7 after being opened, shall be filed for public inspection. No bid may
8 be considered for public work unless it is accompanied by a bid deposit
9 in the form of a surety bond, postal money order, cash, cashier's
10 check, or certified check in an amount equal to five percent of the
11 amount of the bid proposed. The contract for the public work shall be
12 awarded to the lowest responsible bidder. Any or all bids may be
13 rejected for good cause. The county legislative authority shall
14 require from the successful bidder for such public work a contractor's
15 bond in the amount and with the conditions imposed by law. If the
16 bidder to whom the contract is awarded fails to enter into the contract
17 and furnish the contractor's bond as required within ten days after
18 notice of the award, exclusive of the day of notice, the amount of the
19 bid deposit shall be forfeited to the county and the contract awarded
20 to the next lowest and best bidder. The bid deposit of all
21 unsuccessful bidders shall be returned after the contract is awarded
22 and the required contractor's bond given by the successful bidder is
23 accepted by the county legislative authority. In the letting of any
24 contract for public works involving less than ten thousand dollars,
25 advertisement and competitive bidding may be dispensed with on order of
26 the county legislative authority. Immediately after the award is made,
27 the bid quotations obtained shall be recorded and open to public
28 inspection and shall be available by telephone inquiry.

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

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

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

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

3 (2) A first class city may have public works performed by contract
4 pursuant to public notice and call for competitive bids. As limited by
5 subsection (3) of this section, a first class city may have public
6 works performed by city employees in any annual or biennial budget
7 period equal to a dollar value not exceeding ten percent of the public
8 works construction budget, including any amount in a supplemental
9 public works construction budget, over the budget period. The amount
10 of public works that a first class city has a county perform for it
11 under RCW 35.77.020 shall be included within this ten percent
12 limitation.

13 If a first class city has public works performed by public
14 employees in any budget period that are in excess of this ten percent
15 limitation, the amount in excess of the permitted amount shall be
16 reduced from the otherwise permitted amount of public works that may be
17 performed by public employees for that city in its next budget period.
18 Twenty percent of the motor vehicle fuel tax distributions to that city
19 shall be withheld if two years after the year in which the excess
20 amount of work occurred, the city has failed to so reduce the amount of
21 public works that it has performed by public employees. The amount so
22 withheld shall be distributed to the city when it has demonstrated in
23 its reports to the state auditor that the amount of public works it has
24 performed by public employees has been so reduced.

25 Whenever a first class city has had public works performed in any
26 budget period up to the maximum permitted amount for that budget
27 period, all remaining public works within that budget period shall be
28 done by contract pursuant to public notice and call for competitive
29 bids.

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

34 (3) In addition to the percentage limitation provided in subsection
35 (2) of this section, a first class city with a population in excess of
36 one hundred fifty thousand shall not have public employees perform a
37 public works project in excess of fifty thousand dollars if more than
38 a single craft or trade is involved with the public works project, or
39 a public works project in excess of twenty-five thousand dollars if

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

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

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

31 (5) The cost of a separate public works project shall be the costs
32 of materials, supplies, equipment, and labor on the construction of
33 that project. The value of the public works budget shall be the value
34 of all the separate public works projects within the budget.

35 (6) When any emergency shall require the immediate execution of
36 such public work, upon the finding of the existence of such emergency
37 by the authority having power to direct such public work to be done and
38 duly entered of record, publication of description and estimate may be
39 made within seven days after the commencement of the work. Within two

1 weeks of the finding that such an emergency existed, the city council
2 shall adopt a resolution certifying the existence of this emergency
3 situation.

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

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

13 ~~(b) Whenever work is done by contract, the estimated cost of which
14 is one hundred thousand dollars or less, and the city uses the small
15 works roster, the city shall invite proposals from all appropriate
16 contractors on the small works roster: PROVIDED, That not less than
17 five separate appropriate contractors, if available, shall be invited
18 to submit bids on any one contract: PROVIDED FURTHER, That))~~ Whenever
19 possible, the city shall invite at least one proposal from a minority
20 or woman contractor who shall otherwise qualify under this section.
21 ~~((Once a bidder on the small works roster has been offered an
22 opportunity to bid, that bidder shall not be offered another
23 opportunity until all other appropriate contractors on the small works
24 roster have been afforded an opportunity to submit a bid. Invitations
25 shall include an estimate of the scope and nature of the work to be
26 performed, and materials and equipment to be furnished.~~

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

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

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

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

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

3 (1) Any second or third class city or any town may construct any
4 public works, as defined in RCW 39.04.010, by contract or day labor
5 without calling for bids therefor whenever the estimated cost of the
6 work or improvement, including cost of materials, supplies and
7 equipment will not exceed the sum of thirty thousand dollars if more
8 than one craft or trade is involved with the public works, or twenty
9 thousand dollars if a single craft or trade is involved with the public
10 works or the public works project is street signalization or street
11 lighting. A public works project means a complete project. The
12 restrictions in this subsection do not permit the division of the
13 project into units of work or classes of work to avoid the restriction
14 on work that may be performed by day labor on a single project.

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

37 When the contract is let then all bid proposal deposits shall be
38 returned to the bidders except that of the successful bidder which
39 shall be retained until a contract is entered into and a bond to

1 perform the work furnished, with surety satisfactory to the council or
2 commission, in ~~((the full amount of the contract price))~~ accordance
3 with RCW 39.08.030. If the bidder fails to enter into the contract in
4 accordance with his or her bid and furnish a bond within ten days from
5 the date at which he or she is notified that he or she is the
6 successful bidder, the check or postal money order and the amount
7 thereof shall be forfeited to the council or commission or the council
8 or commission shall recover the amount of the surety bond.

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

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

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

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

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

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

38 (4) After September 1, 1987, each second class city, third class
39 city, and town shall use the form required by RCW 43.09.205 to account

1 and record costs of public works in excess of five thousand dollars
2 that are not let by contract.

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

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

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

18 (8) For advertisement and (~~(competitive))~~ formal sealed bidding to
19 be dispensed with as to purchases between seven thousand five hundred
20 and fifteen thousand dollars, the city legislative authority must
21 authorize by resolution ((a)), use of the uniform procedure (~~(for~~
22 ~~securing telephone and/or written quotations from enough vendors to~~
23 ~~assure establishment of a competitive price and for awarding the~~
24 ~~contracts for purchase of materials, equipment, or services to the~~
25 ~~lowest responsible bidder. Immediately after the award is made, the~~
26 ~~bid quotations obtained shall be recorded and open to public inspection~~
27 ~~and shall be available by telephone inquiry)) provided in RCW
28 39.04.190.~~

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

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

38 (11) Nothing in this section shall prohibit any second or third
39 class city or any town from allowing for preferential purchase of

1 products made from recycled materials or products that may be recycled
2 or reused.

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

5 Insofar as practicable, purchases and any public works by the
6 district shall be based on competitive bids. A formal sealed bid
7 procedure shall be used as standard procedure for purchases and
8 contracts for purchases executed by the board of commissioners. Formal
9 sealed bidding shall not be required for:

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

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

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

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

35 (5) Purchases of insurance and bonds.

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

1 (1) Notice of the call for bids shall be given by (~~posting notice~~
2 ~~in three public places in the district and by publication once each~~
3 ~~week for two consecutive weeks. The posting and first publication~~
4 ~~shall be at least two weeks before the date fixed for opening of the~~
5 ~~bids, and the publication shall be~~) publishing the notice in a
6 newspaper of general circulation within the district at least thirteen
7 days before the last date upon which bids will be received. If no bid
8 is received on the first call, the commissioners may readvertise and
9 make a second call, or may enter into a contract without a further
10 call.

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

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

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

27 Each port district shall maintain a small works roster (~~which~~
28 ~~shall be comprised of all contractors who have requested to be on the~~
29 ~~roster and are, where required by law, properly licensed or registered~~
30 ~~to perform such work in the state of Washington.~~), as provided in RCW
31 39.04.155, and may use the small works roster process to award
32 contracts in lieu of calling for sealed bids whenever work is done by
33 contract, the estimated cost of which is one hundred thousand dollars
34 or less(~~, the managing official of the port district may invite~~
35 ~~proposals from all appropriate contractors on the small works roster:~~
36 ~~PROVIDED, That not less than five separate appropriate contractors~~
37 ~~shall be invited to submit proposals on any individual contract:~~
38 ~~PROVIDED FURTHER, That~~)). Whenever possible, the managing official

1 shall invite at least one proposal from a minority contractor who shall
2 otherwise qualify under this section. (~~(Such invitation shall include~~
3 ~~an estimate of the scope and nature of the work to be performed, and~~
4 ~~materials and equipment to be furnished.)~~)

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

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

13 Any item, or items of the same kind of materials, equipment, or
14 supplies purchased, the estimated cost of which is in excess of five
15 thousand dollars, exclusive of sales tax shall be by contract:
16 PROVIDED, That a district may make purchases of the same kind of items
17 of materials, equipment and supplies not exceeding five thousand
18 dollars in any calendar month without a contract, purchasing any excess
19 thereof over five thousand dollars by contract. Any work ordered by a
20 district commission, the estimated cost of which is in excess of ten
21 thousand dollars exclusive of sales tax, shall be by contract, except
22 that a district commission may have its own regularly employed
23 personnel perform work which is an accepted industry practice under
24 prudent utility management without a contract. Prudent utility
25 management means performing work with regularly employed personnel
26 utilizing material of a worth not exceeding fifty thousand dollars in
27 value without a contract: PROVIDED, That such limit on the value of
28 material being utilized in work being performed by regularly employed
29 personnel shall not include the value of individual items of equipment
30 purchased or acquired and used as one unit of a project. Before
31 awarding such a contract, the commission shall publish a notice once or
32 more in a newspaper of general circulation in the district at least
33 (~~(twenty)~~) thirteen days before the (~~(letting of the contract)~~) last
34 date upon which bids will be received, inviting sealed proposals for
35 the work or materials; plans and specifications of which shall at the
36 time of the publication be on file at the office of the district
37 subject to public inspection(~~(:—PROVIDED, That any)~~). Any published
38 notice ordering work to be performed for the district shall be mailed

1 at the time of publication to any established trade association which
2 files a written request with the district to receive such notices. The
3 commission may at the same time and as part of the same notice, invite
4 tenders for the work or materials upon plans and specifications to be
5 submitted by the bidders.

6 Notwithstanding any other provisions herein, all contract projects,
7 the estimated cost of which is less than one hundred thousand dollars,
8 may be awarded to a contractor ((~~on~~)) using the small works roster(~~(-~~
9 ~~The small works roster shall be comprised of all responsible~~
10 ~~contractors who have requested to be on the list. The commission shall~~
11 ~~authorize by resolution a procedure for securing telephone and/or~~
12 ~~written quotations from the contractors on the small works roster to~~
13 ~~assure establishment of a competitive price and for awarding contracts~~
14 ~~to the lowest responsible bidder. Such procedure shall require that a~~
15 ~~good faith effort be made to request quotations from all contractors on~~
16 ~~the small works roster. Immediately after an award is made, the bid~~
17 ~~quotations obtained shall be recorded, open to public inspection, and~~
18 ~~available by telephone inquiry. The small works roster shall be~~
19 ~~revised once a year)) process provided in RCW 39.04.155. All contract
20 projects equal to or in excess of one hundred thousand dollars shall be
21 let by competitive bidding.~~

22 Whenever equipment or materials required by a district are held by
23 a governmental agency and are available for sale but such agency is
24 unwilling to submit a proposal, the commission may ascertain the price
25 of such items and file a statement of such price supported by the sworn
26 affidavit of one member of the commission and may consider such price
27 as a bid without a deposit or bond. In the event of an emergency when
28 the public interest or property of the district would suffer material
29 injury or damage by delay, upon resolution of the commission, or
30 proclamation of an official designated by the board to act for the
31 board during such emergencies, declaring the existence of such
32 emergency and reciting the facts constituting the same, the board, or
33 the official acting for the board, may waive the requirements of this
34 chapter with reference to any purchase or contract, after having taken
35 precautions to secure the lowest price practicable under the
36 circumstances.

37 After determination by the commission during a public meeting that
38 a particular purchase is available clearly and legitimately only from

1 a single source of supply, the bidding requirements of this section may
2 be waived by the commission.

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

5 For the awarding of a contract to purchase any item, or items of
6 the same kind of materials, equipment, or supplies in an amount
7 exceeding five thousand dollars, but less than fifteen thousand
8 dollars, exclusive of sales tax, the commission may, in lieu of the
9 procedure described in RCW 54.04.070 and 54.04.080 requiring public
10 notice to invite sealed proposals for such materials, equipment, or
11 supplies, (~~authorize by~~) pursuant to commission resolution (~~a staff
12 procedure for securing telephone and/or written quotations from enough
13 vendors to assure establishment of a competitive price and for awarding
14 such contracts for purchase of materials, equipment, or supplies to the
15 lowest responsible bidder. Immediately after the award is made, the bid
16 quotations obtained shall be recorded and shall be posted or otherwise
17 made available at the office of the commission or any other officially
18 designated location~~) use the process provided in RCW 39.04.190.
19 Waiver of the deposit or bid bond required under RCW 54.04.080 may be
20 authorized by the commission in securing such bid quotations.

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

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

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

17 (2) Each bid shall be accompanied by a bid proposal deposit in the
18 form of a certified check, cashier's check, postal money order, or
19 surety bond payable to the order of the county treasurer for a sum not
20 less than five percent of the amount of the bid and no bid shall be
21 considered unless accompanied by such bid proposal deposit. At the
22 time and place named such bids shall be publicly opened and read and
23 the board of sewer commissioners shall proceed to canvass the bids and
24 may let such contract to the lowest responsible bidder upon plans and
25 specifications: PROVIDED, That no contract shall be let in excess of
26 the cost of ((said)) the materials or work, or if in the opinion of the
27 board of sewer commissioners all bids are unsatisfactory they may
28 reject all of them and readvertise and in such case all checks, cash or
29 bid bonds shall be returned to the bidders. If such contract be let,
30 then all checks, cash or bid bonds shall be returned to the bidders,
31 except that of the successful bidder, which shall be retained until a
32 contract shall be entered into for the purchase of such materials or
33 doing such work, and a bond to perform such work furnished with
34 sureties satisfactory to the board of sewer commissioners in the full
35 amount of the contract price between the bidder and the commission in
36 accordance with bid. If ((said)) the bidder fails to enter into
37 ((said)) the contract in accordance with ((said)) the bid and furnish
38 such bond within ten days from the date at which ((he)) the bidder is
39 notified that he or she is the successful bidder, the ((said)) check,

1 cash, or bid bonds and the amount thereof shall be forfeited to the
2 sewer district.

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

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

18 The board of commissioners of a sewer 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 notice of intention is required to
23 sell personal property of less than two thousand five hundred dollars
24 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
30 will be sold or offered for sale, the terms of sale, whether the
31 property is to be sold at public or private sale, and if at public sale
32 the notice shall call for bids, fix the conditions thereof and shall
33 reserve the right to reject any and all bids.

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

36 (1) Subject to the provisions of subsection (2) of this section, no
37 real property valued at two thousand five hundred dollars or more of

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

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

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

30 The board of commissioners of a water district may sell, at public
31 or private sale, property belonging to the district if the board
32 determines that the property is not and will not be needed for district
33 purposes and if the board gives notice of intention to sell as in this
34 section provided: PROVIDED, That no such notice of intention shall be
35 required to sell personal property of less than two thousand five
36 hundred dollars in value.

37 The notice of intention to sell shall be published once a week for
38 (~~three~~) two consecutive weeks in a newspaper of general circulation

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

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

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

24 (2) If no purchasers can be obtained for the property at ninety
25 percent or more of its appraised value after one hundred (~~eighty~~)
26 twenty days of offering the property for sale, the board of
27 commissioners of the water district may adopt a resolution stating that
28 the district has been unable to sell the property at the ninety percent
29 amount. The water district then may sell the property at the highest
30 price it can obtain at public auction. A notice of intention to sell
31 at public auction shall be published once a week for (~~three~~) two
32 consecutive weeks in a newspaper of general circulation in the water
33 district. (~~The last publication shall be at least twenty days but not~~
34 ~~more than thirty days before the date of sale.~~) The notice shall
35 describe the property, state the time and place at which it will be
36 offered for sale and the terms of sale, and shall call for bids, fix
37 the conditions thereof, and reserve the right to reject any and all
38 bids.

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

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

6 (2) All materials purchased and work ordered, the estimated cost of
7 which is in excess of five thousand dollars shall be let by contract.
8 All contract projects, the estimated cost of which is less than fifty
9 thousand dollars, may be awarded to a contractor (~~((on the))~~) using a
10 small works roster(~~(. The small works roster shall be comprised of all~~
11 ~~responsible contractors who have requested to be on the list))~~) process
12 provided in RCW 39.04.155 or the process provided in RCW 39.04.190 for
13 purchases. The board of water commissioners may set up uniform
14 procedures to prequalify contractors for inclusion on the small works
15 roster. (~~((The board of water commissioners shall authorize by~~
16 ~~resolution a procedure for securing telephone and/or written quotations~~
17 ~~from the contractors on the small works roster to assure establishment~~
18 ~~of a competitive price and for awarding contracts to the lowest~~
19 ~~responsible bidder. Such procedure shall require that a good faith~~
20 ~~effort be made to request quotations from all contractors on the small~~
21 ~~works roster. Immediately after an award is made, the bid quotations~~
22 ~~obtained shall be recorded, open to public inspection, and available by~~
23 ~~telephone inquiry. The small works roster shall be revised once a~~
24 ~~year.))~~) All contract projects equal to or in excess of fifty thousand
25 dollars shall be let by competitive bidding. Before awarding any such
26 contract the board of water commissioners shall (~~(cause))~~) publish a
27 notice (~~((to be published))~~) in a newspaper (~~((in))~~) of general circulation
28 where the district is located at least once (~~((ten))~~) thirteen days
29 before the (~~((letting of such contract))~~) last date upon which bids will
30 be received, inviting sealed proposals for such work, plans and
31 specifications which must at the time of publication of such notice be
32 on file in the office of the board of water commissioners subject to
33 public inspection. Such notice shall state generally the work to be
34 done and shall call for proposals for doing the same to be sealed and
35 filed with the board of water commissioners on or before the day and
36 hour named therein.

37 (3) Each bid shall be accompanied by a certified or cashier's check
38 or postal money order payable to the order of the county treasurer for
39 a sum not less than five percent of the amount of the bid, or

1 accompanied by a bid bond in an amount not less than five percent of
2 the bid with a corporate surety licensed to do business in the state,
3 conditioned that the bidder will pay the district as liquidated damages
4 the amount specified in the bond, unless ((he)) the bidder enters into
5 a contract in accordance with his or her bid, and no bid shall be
6 considered unless accompanied by such check, cash or bid bond. At the
7 time and place named such bids shall be publicly opened and read and
8 the board of water commissioners shall proceed to canvass the bids and
9 may let such contract to the lowest responsible bidder upon plans and
10 specifications on file or to the best bidder submitting his or her own
11 plans and specifications: PROVIDED, That no contract shall be let in
12 excess of the cost of ((said)) the materials or work, or if in the
13 opinion of the board of water commissioners all bids are unsatisfactory
14 they may reject all of them and readvertise and in such case all
15 checks, cash or bid bonds shall be returned to the bidders. If such
16 contract be let, then all checks, cash or bid bonds shall be returned
17 to the bidders, except that of the successful bidder, which shall be
18 retained until a contract shall be entered into for the purchase of
19 such materials or doing such work, and a bond to perform such work
20 furnished with sureties satisfactory to the board of water
21 commissioners in the full amount of the contract price between the
22 bidder and the commission in accordance with the bid. If ((said)) the
23 bidder fails to enter into ((said)) the contract in accordance with
24 ((said)) the bid and furnish such bond within ten days from the date at
25 which ((he)) the bidder is notified that he or she is the successful
26 bidder, the ((said)) check, cash or bid bonds and the amount thereof
27 shall be forfeited to the water district: PROVIDED, That if the bidder
28 fails to enter into a contract in accordance with his or her bid, and
29 the board of water commissioners deems it necessary to take legal
30 action to collect on any bid bond required herein, then the water
31 district shall be entitled to collect from ((said)) the bidder any
32 legal expenses, including reasonable attorneys' fees occasioned
33 thereby.

34 (4) In the event of an emergency when the public interest or
35 property of the water district would suffer material injury or damage
36 by delay, upon resolution of the board of water commissioners, or
37 proclamation of an official designated by the board to act for the
38 board during such emergencies, declaring the existence of such
39 emergency and reciting the facts constituting the same, the board, or

1 official acting for the board, may waive the requirements of this
2 chapter with reference to any purchase or contract. In addition, these
3 requirements may be waived for purchases which are clearly and
4 legitimately limited to a single source of supply and purchases
5 involving special facilities, services, or market conditions, in which
6 instances the purchase price may be best established by direct
7 negotiation.

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

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

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

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

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

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