

SENATE BILL REPORT

SHB 2664

As Reported By Senate Committee On:
Energy, Telecommunications & Utilities, February 22, 1996

Title: An act relating to competitive negotiations.

Brief Description: Authorizing municipalities to utilize competitive negotiations in the acquisition of electronic data processing or telecommunication systems.

Sponsors: House Committee on Government Operations (originally sponsored by Representatives Hargrove, Sheahan, Reams, Cairnes, Hymes and Thompson).

Brief History:

Committee Activity: Energy, Telecommunications & Utilities: 2/21/96, 2/22/96 [DP].

SENATE COMMITTEE ON ENERGY, TELECOMMUNICATIONS & UTILITIES

Majority Report: Do pass.

Signed by Senators Sutherland, Chair; Loveland, Vice Chair; Finkbeiner, Hochstatter and Owen.

Staff: Susan Ridgley (786-7444)

Background: Local government competitive bidding statutes do not specifically address the purchase of computer or telecommunications systems. As a result, many local governments are unsure whether other statutory exemptions from competitive bidding, such as the purchase of special services, apply to these purchases. Many municipalities purchase these systems through competitive negotiations, but there are no statutory guidelines for how these competitive negotiations are conducted.

Summary of Bill: Municipalities may acquire electronic data processing or telecommunication, equipment, software, or services either through competitive negotiation or competitive bidding.

If competitive negotiation, then a request for proposal must be prepared and submitted to an adequate number of qualified sources as determined by the municipality to permit reasonable competition for the procurement.

Notice of the request for proposal must be published in a newspaper of general circulation in the municipality at least 13 days before the last date upon which proposals will be received. The request for proposal must identify significant evaluation factors, including price, and their relative importance.

The municipality must provide reasonable procedures for technical evaluation of the proposals received, identification of qualified sources, and selection for awarding the contract. The contract must be awarded to the qualified bidder whose proposal is most

advantageous to the municipality, with price and other factors considered. The municipality may reject any and all proposals for good cause and request new proposals.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: It's appropriate that these systems should be allowed to be purchased through competitive negotiation because you are buying not just hardware but also knowledge and service. This is analogous to architectural and engineering services that use competitive negotiation.

Testimony Against: None.

Testified: Jim Justin, AWC (pro).