

SENATE BILL REPORT

SB 5864

As Reported By Senate Committee On:
Government Operations, March 1, 1995

Title: An act relating to county public works projects.

Brief Description: Providing a bidding procedure for public works projects in counties.

Sponsors: Senators Haugen, Winsley, Heavey, McCaslin, Sheldon and Hale.

Brief History:

Committee Activity: Government Operations: 2/28/95, 3/1/95 [DPS].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Substitute Senate Bill No. 5864 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Sheldon, Vice Chair; Drew, Hale, Heavey, McCaslin and Winsley.

Staff: Diane Smith (786-7410)

Background: All county contracts for public works, with limited exceptions, are entered into after a public and competitive statutory bidding process is followed. Contracts of less than \$10,000 may be exempt from advertisement and competitive bidding by the county legislative authority. Contracts valued from \$10,000 to \$100,000 may be awarded by the statutory small works roster process.

A recent Washington Supreme Court case highlighted the statutory distinction between counties that have elected to establish a purchasing department and those that have not, in the context of whether they may use county employees to perform public works for the county. The court held that if the county has not established a purchasing department, it is allowed to use county employees to perform public works. Likewise, if a county has established a purchasing department, it cannot perform public works with county employees.

Summary of Substitute Bill: Counties with purchasing departments may contract on a competitive basis for public works. Counties with populations of 1,000,000 or more are limited in the size and type of public works projects which may be performed by public employees. Except for this limitation, which expires July 1, 1996, those counties without purchasing departments and those counties with purchasing departments which so choose, must use the existing statutory procedures for the competitive bidding of public works projects.

Substitute Bill Compared to Original Bill: All changes to the existing statute regarding the county competitive bidding contract procedure are removed from the substitute bill. The

only limitation in the substitute bill on counties with purchasing departments applies to counties of over 1,000,000 population.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill corrects the statutory language which recently was applied by the Supreme Court against King County. It puts limits on King County's ability to use in-house labor on public works.

Testimony Against: The other 38 counties do not have a problem with the statute. These changes could cause an adverse impact on them.

Testified: Gary Lowe, WA State Assn. of Counties (con); Duke Schaub, John Blencoe, Doug Peterson, AGC of WA (pro); Ron Forest, Carpenters Dist. Council; Robert Dilger, WSBLTC (pro); J. Pat Thompson, County and City Employees (con); Chuck Mize, King County Executive Office (pro); Larry Stevens, United Subcontractors (pro); Dick Ducharme, Utility Contractors (pro).