H-4344.1

SECOND SUBSTITUTE HOUSE BILL 1071

State of Washington 56th Legislature 2000 Regular Session

By House Committee on State Government (originally sponsored by Representatives Romero and D. Schmidt; by request of Alternative Public Works Methods Oversight Committee)

Read first time 02/02/2000. Referred to Committee on .

1 AN ACT Relating to limited public works; amending RCW 39.04.155; 2 and adding a new section to chapter 39.10 RCW.

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

4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 39.10 RCW 5 to read as follows:

6 In addition to any other power or authority that an agency may 7 have, an agency alone or in concert with another agency may award contracts for work, construction, alteration, repair, or improvement 8 9 projects estimated to cost less than thirty-five thousand dollars using 10 a limited public works process without advertising and competitive An agency using the limited public works process shall 11 bidding. 12 solicit electronic or written quotations from a minimum of three 13 contractors included on the appropriate small works roster established 14 under RCW 39.04.150 and shall award the contract to the lowest 15 responsible bidder, even if only one quotation is received, or shall 16 reject all quotations. After an award is made, the quotations shall be 17 open to public inspection and available by electronic request. Unless the agency chooses to notify all contractors on the appropriate roster 18 19 who are willing to perform work in the geographic area of the work, a

contractor on the appropriate roster who is willing to perform work in 1 2 that geographic area and who has been sent a notice of a project shall not be sent another notice of a project until all others on the 3 4 appropriate roster who are willing to perform work in the geographic area have been sent notice of a project. An agency shall maintain a 5 list each biennium of the contracts awarded under the limited public 6 works process, including the name of the contractor, the amount of the 7 8 contract, a brief description of the type of work performed, and the 9 date it was awarded. For limited public works projects, an agency may 10 waive the payment and performance bond requirements of chapter 39.08 RCW and the retainage requirements of chapter 60.28 RCW, thereby 11 assuming the liability for the contractor's nonpayment of laborers, 12 13 mechanics, subcontractors, materialmen, suppliers, and taxes imposed pursuant to Title 82 RCW that may be due from the contractor for the 14 15 limited public works project, however the agency shall have a right of recovery against the contractor for any payments made on the 16 17 contractor's behalf.

18 (2) The breaking down of any public work or improvement into units 19 or accomplishing any public work or improvement by phases for the 20 purpose of avoiding the minimum dollar amount for bidding is contrary 21 to public policy and is prohibited.

(3) As used in this section, the term "agency" means the department of general administration, the department of fish and wildlife, the department of natural resources, the department of transportation, and the state parks and recreation commission.

26 **Sec. 2.** RCW 39.04.155 and 1998 c 278 s 12 are each amended to read 27 as follows:

(1) <u>A municipality may use either the small works roster process as</u>
defined in subsection (2) of this section or an alternative small works
roster process that is called the limited public works process as
defined in subsection (3) of this section for work, construction,
repair, alteration, or improvement projects.

33 (2)(a) This ((section)) subsection provides a uniform process to 34 award contracts for public works projects by those municipalities that 35 are authorized to use a small works roster in lieu of the requirements 36 for formal sealed bidding. The state statutes governing a specific 37 type of municipality shall establish the maximum dollar thresholds of 38 the contracts that can be awarded under this process, and may include other matters concerning the small works roster process, for the
 municipality.

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

The governing body of the municipality shall establish a procedure 13 14 for securing ((telephone)) electronic 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 competitive price is established and to award contracts to the lowest 17 responsible bidder, as defined in RCW 43.19.1911. Such invitations for 18 19 quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be 20 furnished. However, detailed plans and specifications need not be 21 included in the invitation. This section does not eliminate other 22 requirements for architectural or engineering approvals as to quality 23 24 and compliance with building codes. Whenever possible at least five 25 contractors shall be invited to submit bids. Once a contractor has 26 been afforded an opportunity to submit a proposal, that contractor 27 shall not be offered another opportunity until all other appropriate 28 contractors on the small works roster have been afforded an opportunity 29 to submit a proposal on a contract. Proposals may be invited from all 30 appropriate contractors on the small works roster.

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

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

36 (3)(a) Work, construction, alteration, repair, or improvement 37 projects estimated to cost less than thirty-five thousand dollars are 38 limited public works exempt from the small works roster process and 39 from the requirement that contracts be awarded after advertisement and

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competitive bid as provided in RCW 39.04.010. For limited public works 1 projects, the municipality shall solicit electronic or written 2 3 quotations from a minimum of three contractors on the appropriate small 4 works roster and shall award the contract to the lowest responsible bidder, even if only one quotation is received, or reject all 5 quotations. After an award is made, the quotations must be open to 6 public inspection and available by electronic request. Unless the 7 municipality chooses to notify all contractors on the appropriate 8 9 roster, a contractor on the appropriate roster who has been sent a notice of a project shall not be sent another notice of a project until 10 all others on the appropriate roster who are willing to perform work 11 have been sent notice of a project. A municipality shall maintain a 12 list each biennium of the contracts awarded under the limited public 13 14 works process, including the name of the contractor, the amount of the contract, a brief description of the type of work performed, and the 15 date it was awarded. For limited public works projects, a municipality 16 may waive the payment and performance bond requirements of chapter 17 18 39.08 RCW and the retainage requirements of chapter 60.28 RCW, thereby 19 assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, materialmen, suppliers, and taxes imposed 20 pursuant to Title 82 RCW that may be due from the contractor for the 21 limited public works project, however the agency shall have a right of 22 recovery against the contractor for any payments made on the 23 24 contractor's behalf. 25 (b) The breaking down of any public work or improvement into units 26 or accomplishing any public work or improvement by phases for the

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