## HOUSE BILL 1073

State of Washington 56th Legislature 1999 Regular Session

By Representatives D. Schmidt and Romero; by request of Alternative Public Works Methods Oversight Committee

Read first time 01/14/1999. Referred to Committee on State Government.

- 1 AN ACT Relating to alternative bid procedures for public hospital
- 2 districts; and amending RCW 70.44.140.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 70.44.140 and 1998 c 278 s 9 are each amended to read 5 as follows:
- 6 (1) All materials purchased and work ordered, the estimated cost of
- 7 which is in excess of five thousand dollars, shall be by contract.
- 8 Before awarding any such contract, the commission shall publish a
- 9 notice at least thirteen days before the last date upon which bids will
- 10 be received, inviting sealed proposals for such work. The plans and
- 11 specifications must at the time of the publication of such notice be on
- 12 file at the office of the public hospital district, subject to public
- 13 inspection: PROVIDED, HOWEVER, That the commission may at the same
- 14 time, and as part of the same notice, invite tenders for the work or
- 15 materials upon plans and specifications to be submitted by bidders.
- 16 The notice shall state generally the work to be done, and shall call
- 17 for proposals for doing the same, to be sealed and filed with the
- 18 commission on or before the day and hour named therein. Each bid shall
- 19 be accompanied by bid proposal security in the form of a certified

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check, cashier's check, postal money order, or surety bond made payable 2 to the order of the commission, for a sum not less than five percent of 3 the amount of the bid, and no bid shall be considered unless 4 accompanied by such bid proposal security. At the time and place named, such bids shall be publicly opened and read, and the commission 5 shall proceed to canvass the bids, and may let such contract to the 6 7 lowest responsible bidder upon plans and specifications on file, or to 8 the best bidder submitting his or her own plans and specifications: 9 PROVIDED, HOWEVER, That no contract shall be let in excess of the 10 estimated cost of the materials or work, or if, in the opinion of the commission, all bids are unsatisfactory, they may reject all of them 11 and readvertise, and in such case all bid proposal security shall be 12 returned to the bidders. If the contract is let, then all bid proposal 13 security shall be returned to the bidders, except that of the 14 15 successful bidder, which is retained until a contract shall be entered 16 into for the purchase of such materials for doing such work, and a bond to perform such work furnished, with sureties satisfactory to the 17 commission, in an amount to be fixed by the commission, not less than 18 19 twenty-five percent of contract price in any case, between the bidder 20 and commission, in accordance with the bid. If such bidder fails to enter into the contract in accordance with the bid and furnish such 21 bond within ten days from the date at which the bidder is notified that 22 he or she is the successful bidder, the bid proposal security and the 23 24 amount thereof shall be forfeited to the public hospital district. A 25 low bidder who claims error and fails to enter into a contract is 26 prohibited from bidding on the same project if a second or subsequent 27 call for bids is made for the project.

(2) In lieu of the procedures of subsection (1) of this section, a public hospital district may use the ((small works roster process)) contracting processes provided in RCW 39.04.155 ((and award public works contracts)); however, public hospital districts may only use the small works roster process for projects ((with an)) estimated ((value in excess of)) to cost less than fifty thousand dollars.

34 (3) Any purchases with an estimated cost of up to fifteen thousand 35 dollars may be made using the process provided in RCW 39.04.190.

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1 (4) The commission may waive the competitive bidding requirements 2 of this section pursuant to RCW 39.04.280 if an exemption contained 3 within that section applies to the purchase or public work.

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