

# FINAL BILL REPORT

## SHB 1719

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Synopsis as Enacted

**Brief Description:** Regarding school district bidding requirements.

**Sponsors:** By House Committee on State Government Operations & Accountability (originally sponsored by Representatives P. Sullivan, Cox, Hunt, Simpson and Williams).

**House Committee on State Government Operations & Accountability**  
**Senate Committee on Early Learning, K-12 & Higher Education**

#### **Background:**

When the cost of furniture, supplies, equipment, building, improvements or repairs, or other work or purchases, excluding books, exceeds \$50,000, a school district must engage in a competitive bid process. Complete plans and specifications must be prepared and notice published in at least one newspaper of general circulation for two consecutive weeks. The bids must be in writing and must be opened and read in public.

For purchases, excluding books, estimated to cost from \$15,000 to \$50,000, the school board must secure telephone and/or written quotations from at least three sources and must record the quotations for public perusal.

Projects or purchases made through competitive bid or quotation processes are awarded to the lowest responsible bidder, but the school district may reject any and all bids.

A school district may make improvements or repairs to district property through the district's shop and repair department when the total cost does not exceed \$10,000. This limit is increased to \$15,000 for districts with 15,500 or more full-time equivalent students or, for districts with fewer than 15,500 students, if more than one craft or trade is involved in the improvement or repair. Projects exceeding these limits must be bid competitively. However, school districts may use the small works roster process for any project estimated to cost \$200,000 or less.

Under the small works roster process, a single roster may be established or rosters may be established for different specialties or categories of anticipated work. Where applicable, small works rosters may make distinctions between contractors based upon different geographic areas served by the contractors. Generally, the process requires the public body to solicit names of responsible contractors to be included on the rosters on a yearly basis. When projects arise, quotations must be invited in a manner that will equitably distribute the opportunity among contractors on the appropriate roster. Quotations must be obtained from at least five contractors in order to assure that a competitive price is established. Contracts are awarded to the lowest responsible bidder. Contracts estimated to cost less than \$35,000 may be let using the limited public works process. Under this process quotations are invited from a

minimum of three contractors from the appropriate roster with award to the lowest responsible bidder.

**Summary:**

School districts may make a purchase of furniture, supplies, or equipment of up to \$40,000 without using a formal bid procedure. Purchases estimated to cost between \$40,000 and \$75,000 may be made by securing telephone or written quotes from at least three different sources. Any purchase estimated to be in excess of \$75,000 must be made using a formal bid procedure.

A school district may use in-house labor for building, improvements, or repairs estimated to cost \$40,000 or less without using a bid procedure. Projects estimated to cost between \$40,000 and \$100,000 must use a competitive bid process, and projects in excess of \$100,000 must use a formal bid procedure in which complete plans and specifications are prepared and notice published, unless the small works roster process is used.

**Votes on Final Passage:**

House	94	0
Senate	35	10

**Effective:** July 24, 2005