

FINAL BILL REPORT

ESHB 1410

C 136 L 15
Synopsis as Enacted

Brief Description: Modifying provisions governing the competitive bidding process of water-sewer districts.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Takko, Muri, Kilduff, Zeiger, Manweller, Pike, Stanford and Condotta).

House Committee on Local Government
Senate Committee on Government Operations & Security

Background:

Special purpose districts are limited purpose local governments separate from a city, town, or county government. Water-sewer districts (districts), a type of special purpose district, are created to further public health and safety and to furnish water, sewerage, and drainage services to persons within and without the district.

Contract and Competitive Bidding.

All work ordered by a district that has an estimated cost in excess of \$20,000 must be let by contract and competitive bidding. Any purchases by the district of materials, supplies, or equipment that has an estimated cost in excess of \$40,000 must be let by contract. Purchases with an estimated cost of \$50,000 or more must be made by competitive bidding.

Competitive bidding requirements may be waived if an applicable exemption applies to the purchase or public work.

Before a district contract requiring competitive bidding is awarded, notice inviting sealed bid proposals must be published. Bids submitted to the district must be accompanied by a deposit in an amount not less than 5 percent of the amount of the bid. The contract must be awarded to the lowest responsible bidder.

When a contract is let, the successful bidder's deposit is retained until the contract is entered into for the work and a performance bond for the full amount of the contract price is furnished to the district in accordance with the bid. If the bidder fails to enter into a contract and furnish a performance bond, the deposit is forfeited to the district.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The estimated cost threshold for work ordered by a district, over which it must be let by contract and competitive bidding, is increased from \$20,000 to \$50,000.

Votes on Final Passage:

House	97	0
Senate	41	5

Effective: July 24, 2015