

FINAL BILL REPORT

HB 1045

C 60 L 03

Synopsis as Enacted

Brief Description: Modifying water-sewer district bidding provisions.

Sponsors: By Representatives Miloscia, Chandler and Upthegrove.

House Committee on Local Government

Senate Committee on Government Operations & Elections

Background:

A number of different laws establish procedures for state agencies, local governments, and special purpose districts to award contracts for public works projects and to purchase materials, supplies, equipment, and services. Requirements vary, but generally a contract for a relatively small dollar value may be awarded without following a competitive bidding procedure, while a contract of a relatively medium or high dollar value must be awarded following some sort of competitive bidding procedure.

Procedures to award a contract of relatively medium dollar value are called a "small works roster" procedure, if the contract is for a public works project, or a "vendor list" procedure, if the contract is for purchases of materials, supplies, and equipment. Frequently, bid solicitations using these procedures require soliciting bids from only a limited number of contractors or vendors on the list and include some sort of requirement to equitably distribute the opportunity to bid on proposals.

Procedures for awarding a contract of a relatively high dollar value must be made using formal competitive bidding requirements, including publishing a request for the submission of sealed bids and the opening of the sealed bids at a specified time and place.

For water-sewer districts, purchases of materials, supplies, or equipment with an estimated cost of less than \$10,000 do not require a contract process. Purchases of materials, supplies, or equipment with an estimated cost between \$10,000 and \$50,000 allow for use of the small works roster procedure in lieu of formal sealed bidding. Purchases over \$50,000 must be completed by contract following a public notice and call for formal sealed bidding.

Summary:

An alternative process is established for water-sewer districts to award contracts for purchase of materials, supplies, or equipment with an estimated cost greater than

\$10,000. Water-sewer districts may let contracts for purchases of materials, supplies, or equipment with suppliers designated on current state agency, county, city, or town purchasing rosters that have been prepared in accordance with applicable competitive bidding laws. The price and terms for purchases must be as described on the roster.

Votes on Final Passage:

House 97 0

Senate 48 0

Effective: July 27, 2003