<u>SB 5844</u> - S AMD **29** By Senator Fairley

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1 Strike everything after the enacting clause and insert the 2 following:

- 3 "Sec. 1. RCW 28B.50.330 and 2007 c 495 s 2 are each amended to 4 read as follows:
- 5 (1) The boards of trustees of college districts are empowered in 6 accordance with the provisions of this chapter to provide for the 7 construction, reconstruction, erection, equipping, demolition, and major alterations of buildings and other capital assets, and the 8 acquisition of sites, rights-of-way, easements, improvements, 9 appurtenances for the use of the aforementioned colleges as authorized 10 by the college board in accordance with RCW 28B.50.140; to be financed 11 12 by bonds payable out of special funds from revenues hereafter derived from income received from such facilities, gifts, bequests, or grants, 13 14 and such additional funds as the legislature may provide, and payable 15 out of a bond retirement fund to be established by the respective 16 district boards in accordance with rules ((and-regulations)) of the 17 state board. With respect to building, improvements, or repairs, or 18 other work, where the estimated cost exceeds ((fifty five)) ninety thousand dollars, or ((thirty five)) forty-five thousand dollars if the 19 20 involves one trade or craft area, complete plans 21 specifications for the work shall be prepared, the work shall be put 22 out for a public bid, and the contract shall be awarded to the 23 responsible bidder who submits the lowest responsive bid. Any project 24 regardless of dollar amount may be put to public bid.
 - (2) This section does not apply when a contract is awarded by the small works roster procedure authorized in RCW 39.04.155.
- 27 (3) Where the estimated cost to any college of any building, 28 improvements, or repairs, or other work, is less than ((fifty five)) 29 ninety thousand dollars, or ((thirty five)) forty-five thousand dollars

1 if the work involves one trade or craft area, the publication 2 requirements of RCW 39.04.020 do not apply.

- Sec. 2. RCW 28B.10.350 and 2007 c 495 s 1 are each amended to read as follows:
- (1) When the cost to The Evergreen State College or any regional or state university of any building, construction, renovation, remodeling, or demolition, other than maintenance or repairs, will equal or exceed the sum of ((fifty-five)) ninety thousand dollars, or ((thirty-five)) forty-five thousand dollars if the work involves one trade or craft area, complete plans and specifications for the work shall be prepared, the work shall be put out for public bid, and the contract shall be awarded to the responsible bidder who submits the lowest responsive bid.
- (2) Any building, construction, renovation, remodeling, or demolition project that exceeds the dollar amounts in subsection (1) of this section is subject to the provisions of chapter 39.12 RCW.
- (3) The Evergreen State College or any regional or state university may require a project to be put to public bid even when it is not required to do so under subsection (1) of this section. Any project publicly bid under this subsection is subject to the provisions of chapter 39.12 RCW.
- (4) Where the estimated cost of any building, construction, removation, remodeling, or demolition is less than ((fifty-five)) ninety thousand dollars or the contract is awarded by the small works roster procedure authorized in RCW 39.04.155, the publication requirements of RCW 39.04.020 do not apply.
- (5) In the event of any emergency when the public interest or property of The Evergreen State College or a regional or state university would suffer material injury or damage by delay, the president of such college or university may declare the existence of an emergency and, reciting the facts constituting the same, may waive the requirements of this section with reference to any contract in order to correct the condition causing the emergency. For the purposes of this section, "emergency" means a condition likely to result in immediate physical injury to persons or to property of the college or university in the absence of prompt remedial action or a condition which

immediately impairs the institution's ability to perform 1 its 2 educational obligations.

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- (6) This section does not apply when a contract is awarded by the small works roster procedure authorized in RCW 39.04.155 or under any other procedure authorized for an institution of higher education.
- 6 Sec. 3. RCW 35.22.620 and 2002 c 94 s 1 are each amended to read 7 as follows:
- (1) As used in this section, the term "public works" means as 9 defined in RCW 39.04.010.
 - (2) A first-class city may have public works performed by contract pursuant to public notice and call for competitive bids. As limited by subsection (3) of this section, a first-class city may have public works performed by city employees in any annual or biennial budget period equal to a dollar value not exceeding ten percent of the public works construction budget, including any amount in a supplemental public works construction budget, over the budget period. The amount of public works that a first-class city has a county perform for it under RCW 35.77.020 shall be included within this ten percent limitation.
 - If a first-class city has public works performed by public employees in any budget period that are in excess of this ten percent limitation, the amount in excess of the permitted amount shall be reduced from the otherwise permitted amount of public works that may be performed by public employees for that city in its next budget period. Twenty percent of the motor vehicle fuel tax distributions to that city shall be withheld if two years after the year in which the excess amount of work occurred, the city has failed to so reduce the amount of public works that it has performed by public employees. The amount so withheld shall be distributed to the city when it has demonstrated in its reports to the state auditor that the amount of public works it has performed by public employees has been so reduced.

Whenever a first-class city has had public works performed in any budget period up to the maximum permitted amount for that budget period, all remaining public works within that budget period shall be done by contract pursuant to public notice and call for competitive bids.

The state auditor shall report to the state treasurer any first-class city that exceeds this amount and the extent to which the city has or has not reduced the amount of public works it has performed by public employees in subsequent years.

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- (3) In addition to the percentage limitation provided in subsection (2) of this section, a first-class city ((with a population in excess of one hundred fifty thousand)) shall not have public employees perform a public works project in excess of ((seventy thousand dollars, or)) ninety thousand dollars ((after-January-1,-2010,)) if more than a single craft or trade is involved with the public works project, or a public works project in excess of ((thirty-five thousand dollars, or)) forty-five thousand dollars ((after January 1, 2010,)) if only a single craft or trade is involved with the public works project or the public works project is street signalization or street lighting. addition-to-the-percentage-limitation-provided-in-subsection-(2)-of this section, a first class city with a population of one hundred fifty thousand or less shall not have public employees perform a public works project-in-excess-of-fifty-thousand-dollars,-or-sixty-five-thousand dollars-after-January-1,-2010,-if-more-than-one-craft-or-trade-is involved with the public works project, or a public works project in excess-of-thirty-thousand-dollars,-or-forty-thousand-dollars-after January 1, 2010, if only a single craft or trade is involved with the public - works - project - or - the - public - works - project - is - street signalization-or-street-lighting.)) A public works project means a complete project. The restrictions in this subsection do not permit the division of the project into units of work or classes of work to avoid the restriction on work that may be performed by day labor on a single project.
- (4) In addition to the accounting and record-keeping requirements contained in RCW 39.04.070, every first-class city annually shall prepare a report for the state auditor indicating the total public works construction budget and supplemental public works construction budget for that year, the total construction costs of public works performed by public employees for that year, and the amount of public works that is performed by public employees above or below ten percent of the total construction budget. However, if a city budgets on a biennial basis, this annual report shall indicate the amount of public

works that is performed by public employees within the current biennial period that is above or below ten percent of the total biennial construction budget.

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Each first-class city with a population of one hundred fifty thousand or less shall use the form required by RCW 43.09.205 to account and record costs of public works in excess of five thousand dollars that are not let by contract.

- (5) The cost of a separate public works project shall be the costs of materials, supplies, equipment, and labor on the construction of that project. The value of the public works budget shall be the value of all the separate public works projects within the budget.
- (6) The competitive bidding requirements of this section may be waived by the city legislative authority pursuant to RCW 39.04.280 if an exemption contained within that section applies to the work or contract.
- (7) In lieu of the procedures of subsections (2) and (6) of this section, a first-class city may let contracts using the small works roster process in RCW 39.04.155.

Whenever possible, the city shall invite at least one proposal from a minority or woman contractor who shall otherwise qualify under this section.

- 22 (8) The allocation of public works projects to be performed by city 23 employees shall not be subject to a collective bargaining agreement.
 - (9) This section does not apply to performance-based contracts, as defined in RCW 39.35A.020(4), that are negotiated under chapter 39.35A RCW.
- 27 (10) Nothing in this section shall prohibit any first-class city 28 from allowing for preferential purchase of products made from recycled 29 materials or products that may be recycled or reused.
- 30 **Sec. 4.** RCW 35.23.352 and 2002 c 94 s 2 are each amended to read 31 as follows:
- (1) Any second-class city or any town may construct any public works, as defined in RCW 39.04.010, by contract or day labor without calling for bids therefor whenever the estimated cost of the work or improvement, including cost of materials, supplies and equipment will not exceed the sum of ((forty-five thousand dollars, or sixty thousand dollars after January 1, 2010,)) sixty-five thousand dollars if more

than one craft or trade is involved with the public works, or ((thirty 1 2 thousand-dollars, -or)) forty thousand dollars ((after-January-1, 2010,)) if a single craft or trade is involved with the public works or 3 the public works project is street signalization or street lighting. 4 5 A public works project means a complete project. The restrictions in this subsection do not permit the division of the project into units of 6 7 work or classes of work to avoid the restriction on work that may be performed by day labor on a single project. 8

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Whenever the cost of the public work or improvement, including materials, supplies and equipment, will exceed these figures, the same shall be done by contract. All such contracts shall be let at public bidding upon publication of notice calling for sealed bids upon the work. The notice shall be published in the official newspaper, or a newspaper of general circulation most likely to bring responsive bids, at least thirteen days prior to the last date upon which bids will be received. The notice shall generally state the nature of the work to be done that plans and specifications therefor shall then be on file in the city or town hall for public inspections, and require that bids be sealed and filed with the council or commission within the time specified therein. Each bid shall be accompanied by a bid proposal deposit in the form of a cashier's check, postal money order, or surety bond to the council or commission for a sum of not less than five percent of the amount of the bid, and no bid shall be considered unless accompanied by such bid proposal deposit. The council or commission of the city or town shall let the contract to the lowest responsible bidder or shall have power by resolution to reject any or all bids and to make further calls for bids in the same manner as the original call.

When the contract is let then all bid proposal deposits shall be returned to the bidders except that of the successful bidder which shall be retained until a contract is entered into and a bond to perform the work furnished, with surety satisfactory to the council or commission, in accordance with RCW 39.08.030. If the bidder fails to enter into the contract in accordance with his or her bid and furnish a bond within ten days from the date at which he or she is notified that he or she is the successful bidder, the check or postal money order and the amount thereof shall be forfeited to the council or commission or the council or commission shall recover the amount of the

surety bond. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project.

If no bid is received on the first call the council or commission may readvertise and make a second call, or may enter into a contract without any further call or may purchase the supplies, material or equipment and perform the work or improvement by day labor.

- (2) The allocation of public works projects to be performed by city or town employees shall not be subject to a collective bargaining agreement.
- (3) In lieu of the procedures of subsection (1) of this section, a second-class city or a town may let contracts using the small works roster process provided in RCW 39.04.155.

Whenever possible, the city or town shall invite at least one proposal from a minority or woman contractor who shall otherwise qualify under this section.

- (4) The form required by RCW 43.09.205 shall be to account and record costs of public works in excess of five thousand dollars that are not let by contract.
- (5) The cost of a separate public works project shall be the costs of the materials, equipment, supplies, and labor on that construction project.
- (6) Any purchase of supplies, material, or equipment, except for public work or improvement, where the cost thereof exceeds seven thousand five hundred dollars shall be made upon call for bids.
- (7) Bids shall be called annually and at a time and in the manner prescribed by ordinance for the publication in a newspaper of general circulation in the city or town of all notices or newspaper publications required by law. The contract shall be awarded to the lowest responsible bidder.
- (8) For advertisement and formal sealed bidding to be dispensed with as to purchases with an estimated value of fifteen thousand dollars or less, the council or commission must authorize by resolution, use of the uniform procedure provided in RCW 39.04.190.
- (9) The city or town legislative authority may waive the competitive bidding requirements of this section pursuant to RCW 39.04.280 if an exemption contained within that section applies to the purchase or public work.

- 1 (10) This section does not apply to performance-based contracts, as 2 defined in RCW 39.35A.020(4), that are negotiated under chapter 39.35A 3 RCW.
- 4 (11) Nothing in this section shall prohibit any second class city 5 or any town from allowing for preferential purchase of products made 6 from recycled materials or products that may be recycled or reused.
- 7 **Sec. 5.** RCW 35A.40.210 and 1989 c 11 s 8 are each amended to read 8 as follows:
- 9 Procedures for any public work or improvement ((contracts-or 10 purchases)) for code cities shall be governed by ((the-following 11 statutes, as indicated:)) <u>RCW 35.23.352.</u>
- 12 $((\frac{1}{1}))$ Purchases for code cities $(\frac{1}{1})$ with twenty thousand 13 population or $(\frac{1}{1})$ more shall be governed by RCW 35.22.620($\frac{1}{1}$ and
- 14 $\frac{(2)}{(2)}$). Purchases <u>f</u>or code cities <u>with</u> under twenty thousand population((\div)) <u>shall be governed by RCW 35.23.352.</u>
- 16 **Sec. 6.** RCW 36.32.235 and 2000 c 138 s 206 are each amended to read as follows:

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- (1) In each county with a population of one million or more which by resolution establishes a county purchasing department, the purchasing department shall enter into leases of personal property on a competitive basis and purchase all supplies, materials, and equipment on a competitive basis, for all departments of the county, as provided in this chapter and chapter 39.04 RCW, except that the county purchasing department is not required to make purchases that are paid from the county road fund or equipment rental and revolving fund.
- (2) As used in this section, "public works" has the same definition as in RCW 39.04.010.
- (3) Except as otherwise specified in this chapter or in chapter 36.77 RCW, all counties subject to these provisions shall contract on a competitive basis for all public works after bids have been submitted to the county upon specifications therefor. Such specifications shall be in writing and shall be filed with the clerk of the county legislative authority for public inspection.
- 34 (4) An advertisement shall be published in the county official 35 newspaper stating the time and place where bids will be opened, the 36 time after which bids will not be received, the character of the work

- to be done, the materials and equipment to be furnished, and that specifications therefor may be seen at the office of the clerk of the county legislative authority. An advertisement shall also be published in a legal newspaper of general circulation in or as near as possible to that part of the county in which such work is to be done. county official newspaper is a newspaper of general circulation covering at least forty percent of the residences in that part of the county in which such public works are to be done, then the publication of an advertisement of the applicable specifications in the county official newspaper is sufficient. Such advertisements shall be published at least once at least thirteen days prior to the last date upon which bids will be received.
 - (5) The bids shall be in writing, shall be filed with the clerk, shall be opened and read in public at the time and place named therefor in the advertisements, and after being opened, shall be filed for public inspection. No bid may be considered for public work unless it is accompanied by a bid deposit in the form of a surety bond, postal money order, cash, cashier's check, or certified check in an amount equal to five percent of the amount of the bid proposed.

- (6) The contract for the public work shall be awarded to the lowest responsible bidder. Any or all bids may be rejected for good cause. The county legislative authority shall require from the successful bidder for such public work a contractor's bond in the amount and with the conditions imposed by law.
- (7) If the bidder to whom the contract is awarded fails to enter into the contract and furnish the contractor's bond as required within ten days after notice of the award, exclusive of the day of notice, the amount of the bid deposit shall be forfeited to the county and the contract awarded to the next lowest and best bidder. The bid deposit of all unsuccessful bidders shall be returned after the contract is awarded and the required contractor's bond given by the successful bidder is accepted by the county legislative authority. Immediately after the award is made, the bid quotations obtained shall be recorded and open to public inspection and shall be available by telephone inquiry.
- (8) As limited by subsection (10) of this section, a county subject to these provisions may have public works performed by county employees in any annual or biennial budget period equal to a dollar value not

exceeding ten percent of the public works construction budget, including any amount in a supplemental public works construction budget, over the budget period.

Whenever a county subject to these provisions has had public works performed in any budget period up to the maximum permitted amount for that budget period, all remaining public works except emergency work under subsection (12) of this section within that budget period shall be done by contract pursuant to public notice and call for competitive bids as specified in subsection (3) of this section. The state auditor shall report to the state treasurer any county subject to these provisions that exceeds this amount and the extent to which the county has or has not reduced the amount of public works it has performed by public employees in subsequent years.

- (9) If a county subject to these provisions has public works performed by public employees in any budget period that are in excess of this ten percent limitation, the amount in excess of the permitted amount shall be reduced from the otherwise permitted amount of public works that may be performed by public employees for that county in its next budget period. Ten percent of the motor vehicle fuel tax distributions to that county shall be withheld if two years after the year in which the excess amount of work occurred, the county has failed to so reduce the amount of public works that it has performed by public employees. The amount withheld shall be distributed to the county when it has demonstrated in its reports to the state auditor that the amount of public works it has performed by public employees has been reduced as required.
- (10) In addition to the percentage limitation provided in subsection (8) of this section, counties subject to these provisions containing a population of one million or more shall not have public employees perform a public works project in excess of ((seventy)) ninety thousand dollars if more than a single craft or trade is involved with the public works project, or a public works project in excess of ((twenty-five)) forty-five thousand dollars if only a single craft or trade is involved with the public works project. A public works project means a complete project. The restrictions in this subsection do not permit the division of the project into units of work or classes of work to avoid the restriction on work that may be performed by public employees on a single project.

The cost of a separate public works project shall be the costs of materials, supplies, equipment, and labor on the construction of that project. The value of the public works budget shall be the value of all the separate public works projects within the budget.

(11) In addition to the accounting and recordkeeping requirements contained in chapter 39.04 RCW, any county which uses public employees to perform public works projects under RCW 36.32.240(1) shall prepare a year-end report to be submitted to the state auditor indicating the total dollar amount of the county's public works construction budget and the total dollar amount for public works projects performed by public employees for that year.

The year-end report submitted pursuant to this subsection to the state auditor shall be in accordance with the standard form required by RCW 43.09.205.

- (12) Notwithstanding any other provision in this section, counties may use public employees without any limitation for emergency work performed under an emergency declared pursuant to RCW 36.32.270, and any such emergency work shall not be subject to the limitations of this section. Publication of the description and estimate of costs relating to correcting the emergency may be made within seven days after the commencement of the work. Within two weeks of the finding that such an emergency existed, the county legislative authority shall adopt a resolution certifying the damage to public facilities and costs incurred or anticipated relating to correcting the emergency. Additionally this section shall not apply to architectural and engineering or other technical or professional services performed by public employees in connection with a public works project.
- (13) In lieu of the procedures of subsections (3) through (11) of this section, a county may let contracts using the small works roster process provided in RCW 39.04.155.

Whenever possible, the county shall invite at least one proposal from a minority or woman contractor who shall otherwise qualify under this section.

- (14) The allocation of public works projects to be performed by county employees shall not be subject to a collective bargaining agreement.
 - (15) This section does not apply to performance-based contracts, as

defined in RCW 39.35A.020(($\frac{3}{3}$)) $\frac{4}{3}$, that are negotiated under chapter 39.35A RCW.

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- (16) Nothing in this section prohibits any county from allowing for preferential purchase of products made from recycled materials or products that may be recycled or reused.
- (17) This section does not apply to contracts between the public stadium authority and a team affiliate under RCW 36.102.060(4), or development agreements between the public stadium authority and a team affiliate under RCW 36.102.060(7) or leases entered into under RCW 36.102.060(8).
- 11 **Sec. 7.** RCW 36.32.250 and 2000 c 138 s 207 are each amended to read as follows:

No contract for public works may be entered into by the county 13 legislative authority or by any elected or appointed officer of the 14 county until after bids have been submitted to the county upon 15 16 specifications therefor. Such specifications shall be in writing and 17 shall be filed with the clerk of the county legislative authority for public inspection. An advertisement shall be published in the county 18 official newspaper stating the time and place where bids will be 19 opened, the time after which bids will not be received, the character 20 21 of the work to be done, the materials and equipment to be furnished, and that specifications therefor may be seen at the office of the clerk 22 23 of the county legislative authority. An advertisement shall also be 24 published in a legal newspaper of general circulation in or as near as possible to that part of the county in which such work is to be done. 25 26 If the county official newspaper is a newspaper of general circulation covering at least forty percent of the residences in that part of the 27 county in which such public works are to be done, then the publication 28 of an advertisement of the applicable specifications in the county 29 official newspaper shall be sufficient. Such advertisements shall be 30 31 published at least once at least thirteen days prior to the last date upon which bids will be received. The bids shall be in writing, shall 32 be filed with the clerk, shall be opened and read in public at the time 33 and place named therefor in the advertisements, and after being opened, 34 shall be filed for public inspection. No bid may be considered for 35 36 public work unless it is accompanied by a bid deposit in the form of a surety bond, postal money order, cash, cashier's check, or certified 37

check in an amount equal to five percent of the amount of the bid 1 2 proposed. The contract for the public work shall be awarded to the lowest responsible bidder. Any or all bids may be rejected for good 3 The county legislative authority shall require from the 4 successful bidder for such public work a contractor's bond in the 5 amount and with the conditions imposed by law. If the bidder to whom 6 7 the contract is awarded fails to enter into the contract and furnish the contractor's bond as required within ten days after notice of the 8 9 award, exclusive of the day of notice, the amount of the bid deposit shall be forfeited to the county and the contract awarded to the next 10 lowest and best bidder. A low bidder who claims error and fails to 11 enter into a contract is prohibited from bidding on the same project if 12 a second or subsequent call for bids is made for the project. The bid 13 deposit of all unsuccessful bidders shall be returned after the 14 contract is awarded and the required contractor's bond given by the 15 16 successful bidder is accepted by the county legislative authority. 17 the letting of any contract for public works involving less than ((ten)) forty thousand dollars, advertisement and competitive bidding 18 may be dispensed with on order of the county legislative authority. 19 Immediately after the award is made, the bid quotations obtained shall 20 21 be recorded and open to public inspection and shall be available by 22 telephone inquiry.

23 As an alternative to requirements under this section, a county may 24 let contracts using the small works roster process under RCW 39.04.155.

25 This section does not apply to performance-based contracts, as defined in RCW 39.35A.020($(\frac{3}{1})$) $(\frac{4}{1})$, that are negotiated under chapter 26 27 39.35A RCW.

Sec. 8. RCW 52.14.110 and 2001 c 79 s 1 are each amended to read 28 29 as follows:

Insofar as practicable, purchases and any public works by the district shall be based on competitive bids. A formal sealed bid procedure shall be used as standard procedure for purchases and contracts for purchases executed by the board of commissioners. Formal sealed bidding shall not be required for:

(1) The purchase of any materials, supplies, or equipment if the cost will not exceed the sum of ten thousand dollars. However,

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- whenever the estimated cost does not exceed fifty thousand dollars, the commissioners may by resolution use the process provided in RCW 39.04.190 to award contracts;
- 4 (2) Contracting for work to be done involving the construction or improvement of a fire station or other buildings where the estimated cost will not exceed the sum of ((two thousand five hundred)) twenty thousand dollars, which includes the costs of labor, material, and equipment;
- 9 (3) Contracts using the small works roster process under RCW 39.04.155; and
- 11 (4) Any contract for purchases or public work pursuant to RCW 39.04.280 if an exemption contained within that section applies to the purchase or public work.
- **Sec. 9.** RCW 35.61.135 and 2001 c 29 s 1 are each amended to read 15 as follows:

(1) All work ordered, the estimated cost of which is in excess of ((five)) twenty thousand dollars, shall be let by contract and competitive bidding. Before awarding any such contract the board of park commissioners shall publish a notice in a newspaper of general circulation where the district is located at least once thirteen days before the last date upon which bids will be received, inviting sealed proposals for such work, plans, and specifications which must at the time of publication of such notice be on file in the office of the board of park commissioners subject to the public inspection. The notice shall state generally the work to be done and shall call for proposals for doing the same to be sealed and filed with the board of park commissioners on or before the day and hour named therein.

Each bid shall be accompanied by a certified or cashier's check or postal money order payable to the order of the metropolitan park district for a sum not less than five percent of the amount of the bid, or accompanied by a bid bond in an amount not less than five percent of the bid with a corporate surety licensed to do business in the state, conditioned that the bidder will pay the metropolitan park district as liquidated damages the amount specified in the bond, unless the bidder enters into a contract in accordance with the bidder's bid, and no bid shall be considered unless accompanied by such check, cash, or bid bond. At the time and place named such bids shall be publicly opened

and read and the board of park commissioners shall proceed to canvass 1 2 the bids and may let such contract to the lowest responsible bidder upon plans and specifications on file or to the best bidder submitting 3 the bidder's own plans and specifications. The board of park 4 commissioners may reject all bids for good cause and readvertise and in 5 such case all checks, cash, or bid bonds shall be returned to the 6 7 bidders. If the contract is let, then all checks, cash, or bid bonds shall be returned to the bidders, except that of the successful bidder, 8 which shall be retained until a contract is entered into for doing the 9 work, and a bond to perform such work furnished with sureties 10 satisfactory to the board of park commissioners in the full amount of 11 12 the contract price between the bidder and the metropolitan park 13 district in accordance with the bid. If the bidder fails to enter into the contract in accordance with the bid and furnish the bond within ten 14 days from the date at which the bidder is notified that the bidder is 15 the successful bidder, the check, cash, or bid bonds and the amount 16 17 thereof shall be forfeited to the metropolitan park district. If the bidder fails to enter into a contract in accordance with the bidder's 18 bid, and the board of park commissioners deems it necessary to take 19 legal action to collect on any bid bond required by this section, then 20 21 the metropolitan park district is entitled to collect from the bidder 22 any legal expenses, including reasonable attorneys' fees occasioned A low bidder who claims error and fails to enter into a 23 24 contract is prohibited from bidding on the same project if a second or 25 subsequent call for bids is made for the project.

- (2) As an alternative to requirements under subsection (1) of this section, a metropolitan park district may let contracts using the small works roster process under RCW 39.04.155.
- (3) Any purchase of materials, supplies, or equipment, with an estimated cost in excess of forty thousand dollars, shall be by contract. Any purchase of materials, supplies, or equipment, with an estimated cost of less than fifty thousand dollars shall be made using the process provided in RCW 39.04.190. Any purchase of materials, supplies, or equipment with an estimated cost of fifty thousand dollars or more shall be made by competitive bidding following the procedure for letting contracts for projects under subsection (1) of this section.

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(4) As an alternative to requirements under subsection (3) of this section, a metropolitan park district may let contracts for purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing rosters for the materials, supplies, or equipment, when the roster has been established in accordance with the competitive bidding law for purchases applicable to the state agency, county, city, or town. The price and terms for purchases shall be as described on the applicable roster.

- 9 (5) The park board may waive the competitive bidding requirements 10 of this section pursuant to RCW 39.04.280 if an exemption contained 11 within RCW 39.04.280 applies to the purchase or public work.
 - Sec. 10. RCW 57.08.050 and 2003 c 145 s 1 and 2003 c 60 s 1 are each reenacted and amended to read as follows:
 - (1) All work ordered, the estimated cost of which is in excess of ((ten)) twenty thousand dollars, shall be let by contract and competitive bidding. Before awarding any such contract the board of commissioners shall publish a notice in a newspaper of general circulation where the district is located at least once thirteen days before the last date upon which bids will be received, inviting sealed proposals for such work, plans and specifications which must at the time of publication of such notice be on file in the office of the board of commissioners subject to the public inspection. The notice shall state generally the work to be done and shall call for proposals for doing the same to be sealed and filed with the board of commissioners on or before the day and hour named therein.

Each bid shall be accompanied by a certified or cashier's check or postal money order payable to the order of the county treasurer for a sum not less than five percent of the amount of the bid, or accompanied by a bid bond in an amount not less than five percent of the bid with a corporate surety licensed to do business in the state, conditioned that the bidder will pay the district as liquidated damages the amount specified in the bond, unless the bidder enters into a contract in accordance with the bidder's bid, and no bid shall be considered unless accompanied by such check, cash or bid bond. At the time and place named such bids shall be publicly opened and read and the board of commissioners shall proceed to canvass the bids and may let such contract to the lowest responsible bidder upon plans and specifications

- on file or to the best bidder submitting the bidder's own plans and 1 2 specifications. The board of commissioners may reject all bids for good cause and readvertise and in such case all checks, cash or bid 3 bonds shall be returned to the bidders. If the contract is let, then 4 5 all checks, cash, or bid bonds shall be returned to the bidders, except that of the successful bidder, which shall be retained until a contract 6 7 shall be entered into for doing the work, and a bond to perform such work furnished with sureties satisfactory to the board of commissioners 8 9 in the full amount of the contract price between the bidder and the commission in accordance with the bid. If the bidder fails to enter 10 into the contract in accordance with the bid and furnish the bond 11 within ten days from the date at which the bidder is notified that the 12 bidder is the successful bidder, the check, cash, or bid bonds and the 13 amount thereof shall be forfeited to the district. If the bidder fails 14 to enter into a contract in accordance with the bidder's bid, and the 15 board of commissioners deems it necessary to take legal action to 16 17 collect on any bid bond required by this section, then the district shall be entitled to collect from the bidder any legal expenses, 18 including reasonable attorneys' fees occasioned thereby. A low bidder 19 who claims error and fails to enter into a contract is prohibited from 20 bidding on the same project if a second or subsequent call for bids is 21 22 made for the project.
 - (2) As an alternative to requirements under subsection (1) of this section, a water-sewer district may let contracts using the small works roster process under RCW 39.04.155.

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- (3) Any purchase of materials, supplies, or equipment, with an estimated cost in excess of ((ten)) forty thousand dollars, shall be by contract. Any purchase of materials, supplies, or equipment, with an estimated cost of less than fifty thousand dollars shall be made using the process provided in RCW 39.04.190. Any purchase of materials, supplies, or equipment with an estimated cost of fifty thousand dollars or more shall be made by competitive bidding following the procedure for letting contracts for projects under subsection (1) of this section.
- (4) As an alternative to requirements under subsection (3) of this section, a water-sewer district may let contracts for purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing rosters for the

- materials, supplies, or equipment, when the roster has been established in accordance with the competitive bidding law for purchases applicable to the state agency, county, city, or town. The price and terms for purchases shall be as described on the applicable roster.
- 5 (5) The board may waive the competitive bidding requirements of 6 this section pursuant to RCW 39.04.280 if an exemption contained within 7 that section applies to the purchase or public work.

8 **Sec. 11.** RCW 70.44.140 and 2002 c 106 s 1 are each amended to read 9 as follows:

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(1) All materials purchased and work ordered, the estimated cost of which is in excess of ((fifty)) seventy-five thousand dollars, shall be by contract. Before awarding any such contract, the commission shall publish a notice at least thirteen days before the last date upon which bids will be received, inviting sealed proposals for such work. plans and specifications must at the time of the publication of such notice be on file at the office of the public hospital district, subject to public inspection: PROVIDED, HOWEVER, That the commission may at the same time, and as part of the same notice, invite tenders for the work or materials upon plans and specifications to be submitted by bidders. The notice shall state generally the work to be done, and shall call for proposals for doing the same, to be sealed and filed with the commission on or before the day and hour named therein. bid shall be accompanied by bid proposal security in the form of a certified check, cashier's check, postal money order, or surety bond made payable to the order of the commission, for a sum not less than five percent of the amount of the bid, and no bid shall be considered unless accompanied by such bid proposal security. At the time and place named, such bids shall be publicly opened and read, and the commission shall proceed to canvass the bids, and may let such contract to the lowest responsible bidder upon plans and specifications on file, to the best bidder submitting his or her own plans and specifications: PROVIDED, HOWEVER, That no contract shall be let in excess of the 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 and readvertise, and in such case all bid proposal security shall be returned to the bidders. If the contract is let, then all bid proposal security shall be returned to the bidders, except that of the

- successful bidder, which is retained until a contract shall be entered 1 2 into for the purchase of such materials for doing such work, and a bond to perform such work furnished, with sureties satisfactory to the 3 commission, in an amount to be fixed by the commission, not less than 4 5 twenty-five percent of contract price in any case, between the bidder and commission, in accordance with the bid. If such bidder fails to 6 7 enter into the contract in accordance with the bid and furnish such bond within ten days from the date at which the bidder is notified that 8 he or she is the successful bidder, the bid proposal security and the 9 amount thereof shall be forfeited to the public hospital district. A 10 low bidder who claims error and fails to enter into a contract is 11 prohibited from bidding on the same project if a second or subsequent 12 call for bids is made for the project. 13
 - (2) As an alternative to the requirements of subsection (1) of this section, a public hospital district may let contracts using the small works roster process under RCW 39.04.155.

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- (3) Any purchases with an estimated cost of up to fifteen thousand dollars may be made using the process provided in RCW 39.04.190.
- 19 (4) The commission may waive the competitive bidding requirements 20 of this section pursuant to RCW 39.04.280 if an exemption contained 21 within that section applies to the purchase or public work.
- 22 **Sec. 12.** RCW 87.03.437 and 1999 c 234 s 2 are each amended to read as follows:
 - (1) Purchases of any materials, supplies, or equipment by the district shall be based on competitive bids except as provided in RCW 87.03.435 and 39.04.280. A formal sealed bid procedure shall be used as standard procedure for the purchases made by irrigation districts. However, the board may by resolution adopt a policy to waive formal sealed bidding procedures for purchases of any materials, supplies, or equipment for an amount set by the board not to exceed ((ten)) forty thousand dollars for each purchase.
 - (2) The directors may by resolution adopt a policy to use the process provided in RCW 39.04.190 for purchases of materials, supplies, or equipment when the estimated cost is between the amount established by the board under subsection (1) of this section and a maximum amount set by resolution adopted by the board for purchases up to fifty thousand dollars exclusive of sales tax."

SB 5844 - S AMD By Senator Fairley

On page 1, line 1 of the title, after "limits;" strike the 1 remainder of the title and insert "amending RCW 28B.50.330, 28B.10.350, 3 35.22.620, 35.23.352, 35A.40.210, 36.32.235, 36.32.250, 52.14.110, 35.61.135, 70.44.140, and 87.03.437; and reenacting and amending RCW 4 57.08.050." 5

EFFECT: The effect of the amendment is to increase bid limits for public works and purchases of materials for fire protection districts, metro park districts, public hospital districts, and irrigation districts.

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