S-1705.1

SECOND SUBSTITUTE SENATE BILL 5268

State of Washington 68th Legislature 2023 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hasegawa, Warnick, Hunt, Keiser, Kuderer, Nguyen, Nobles, Saldaña, Valdez, Wagoner, and C. Wilson)

READ FIRST TIME 02/22/23.

AN ACT Relating to equity and efficiencies in public works 1 2 procurement including modifying small works roster requirements; 3 amending RCW 39.04.010, 39.19.030, 39.10.200, 39.10.210, 39.10.220, 39.10.230, 39.10.240, 39.10.330, 39.10.360, 39.10.380, 4 39.10.385, 39.10.908, 28A.335.190, 28B.10.350, 28B.50.330, 35.22.620, 35.23.352, 5 35.61.135, 35.82.076, 36.32.235, 36.32.250, 36.77.075, 39.04.200, 6 7 39.04.380, 39.12.040, 52.14.110, 53.08.120, 54.04.070, 57.08.050, 8 70.44.140, 87.03.436, and 43.131.408; adding new sections to chapter 9 39.04 RCW; creating a new section; repealing RCW 39.04.155 and 39.04.156; providing effective dates; and declaring an emergency. 10

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 The legislature finds the need to increase NEW SECTION. Sec. 1. equity and efficiencies in public works procurement. The legislature 13 14 further finds that small, minority, women, and veteran-owned 15 businesses are essential to a robust and high-functioning economy, 16 which provides high quality living wage jobs throughout the state. The legislature further finds that public works contracting agencies 17 18 need a streamlined and effective method for delivering small public 19 works projects while protecting worker rights. Therefore, the 20 legislature intends to provide a small business definition, best 21 practices to be included in inclusion plans, and to update and revise

the small and limited works roster process to increase administrative efficiency, to encourage greater participation and utilization by small, minority, women, and veteran-owned businesses, and continue to protect the rights of workers engaging in public works projects.

5 Sec. 2. RCW 39.04.010 and 2008 c 130 s 16 are each amended to 6 read as follows:

7 The definitions in this section apply throughout this chapter 8 unless the context clearly requires otherwise.

9 (1) <u>"Authorized local government" means a political subdivision</u> 10 <u>of the state, school district, or special purpose district with</u> 11 <u>public works authority.</u>

12 <u>(2)</u> "Award" means the formal decision by the state or 13 municipality notifying a responsible bidder with the lowest 14 responsive bid of the state's or municipality's acceptance of the bid 15 and intent to enter into a contract with the bidder.

16 (((2))) (3) "Contract" means a contract in writing for the 17 execution of public work for a fixed or determinable amount duly 18 awarded after advertisement and competitive bid, or a contract 19 awarded under the small works roster process in ((RCW 39.04.155)) 20 sections 14 through 16 of this act.

((<del>(3)</del>)) <u>(4)</u> "Municipality" means every city, county, town, port 21 22 district, district, or other public agency authorized by law to require the execution of public work, except drainage districts, 23 24 diking districts, diking and drainage improvement districts, drainage 25 improvement districts, diking improvement districts, consolidated diking and drainage improvement districts, consolidated drainage 26 27 improvement districts, consolidated diking improvement districts, 28 irrigation districts, or other districts authorized by law for the reclamation or development of waste or undeveloped lands. 29

30 ((<del>(4)</del>)) <u>(5)</u> "Public work" means all work, construction, 31 alteration, repair, or improvement other than ordinary maintenance, 32 executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. All public works, 33 including maintenance when performed by contract shall comply with 34 chapter 39.12 RCW. "Public work" does not include work, construction, 35 alteration, repair, or improvement performed under contracts entered 36 into under RCW 36.102.060(4) or under development agreements entered 37 38 into under RCW 36.102.060(7) or leases entered into under RCW 36.102.060(8). 39

1 (((-5))) (6) "Responsible bidder" means a contractor who meets the 2 criteria in RCW 39.04.350.

3 ((<del>(6)</del>)) <u>(7)</u> "Small business" means a business meeting 4 <u>certification criteria for size, ownership, control, and personal net</u> 5 <u>worth adopted by the office of minority and women's business</u> 6 <u>enterprises in accordance with RCW 39.19.030.</u>

7 (8) "State" means the state of Washington and all departments,
8 supervisors, commissioners, and agencies of the state.

(9) "State agency" means the department of enterprise services, 9 the state parks and recreation commission, the department of natural 10 resources, the department of fish and wildlife, the department of 11 transportation, any institution of higher education as defined under 12 RCW 28B.10.016, and any other state agency delegated authority by the 13 department of enterprise services to engage in construction, 14 15 building, renovation, remodeling, alteration, improvement, or repair 16 <u>activities.</u>

17 Sec. 3. RCW 39.19.030 and 1996 c 69 s 5 are each amended to read 18 as follows:

19 There is hereby created the office of minority and women's 20 business enterprises. The governor shall appoint a director for the 21 office, subject to confirmation by the senate. The director may 22 employ a deputy director and a confidential secretary, both of which 23 shall be exempt under chapter 41.06 RCW, and such staff as are 24 necessary to carry out the purposes of this chapter.

The office shall consult with the minority and women's business enterprises advisory committee to:

(1) Develop, plan, and implement programs to provide an opportunity for participation by qualified minority and women-owned and controlled businesses in public works and the process by which goods and services are procured by state agencies and educational institutions from the private sector;

32 (2) Develop a comprehensive plan insuring that qualified minority 33 and women-owned and controlled businesses are provided an opportunity 34 to participate in public contracts for public works and goods and 35 services;

(3) Identify barriers to equal participation by qualified
 minority and women-owned and controlled businesses in all state
 agency and educational institution contracts;

1 (4) Establish annual overall goals for participation by qualified 2 minority and women-owned and controlled businesses for each state 3 agency and educational institution to be administered on a contract-4 by-contract basis or on a class-of-contracts basis;

5 (5) Develop and maintain a central minority and women's business 6 enterprise certification list for all state agencies and educational 7 institutions. No business is entitled to certification under this 8 chapter unless it meets the definition of small business concern as 9 established by the office. All applications for certification under 10 this chapter shall be sworn under oath;

11 (6) Develop, implement, and operate a system of monitoring 12 compliance with this chapter;

(7) Adopt rules under chapter 34.05 RCW, the Administrative 13 14 Procedure Act, governing: (a) Establishment of agency goals; (b) 15 development and maintenance of a central minority and women's 16 business enterprise certification program and a public works small 17 business certification program, including a definition of "small business concern" which shall be consistent with the small business 18 requirements defined under section 3 of the Small Business Act, 15 19 U.S.C. Sec. 632, and its implementing regulations as guidance; (c) 20 21 procedures for monitoring and enforcing compliance with goals, regulations, contract provisions, and this chapter; (d) utilization 22 23 of standard clauses by state agencies and educational institutions, as specified in RCW 39.19.050; and (e) determination of an agency's 24 25 or educational institution's goal attainment consistent with the limitations of RCW 39.19.075; 26

(8) Submit an annual report to the governor and the legislature
outlining the progress in implementing this chapter;

(9) Investigate complaints of violations of this chapter with the
 assistance of the involved agency or educational institution; and

31 (10) Cooperate and act jointly or by division of labor with the 32 United States or other states, and with political subdivisions of the 33 state of Washington and their respective minority, socially and economically disadvantaged and women business enterprise programs to 34 carry out the purposes of this chapter. However, the power which may 35 exercised by the office under this subsection permits 36 be 37 investigation and imposition of sanctions only if the investigation relates to a possible violation of chapter 39.19 RCW, and not to 38 ordinances, 39 violation of local rules, regulations, however denominated, adopted by political subdivisions of the state. 40

1 Sec. 4. RCW 39.10.200 and 2010 1st sp.s. c 21 s 2 are each 2 amended to read as follows:

3 The legislature finds that the traditional process of awarding public works contracts in lump sum to the lowest responsible bidder 4 is a fair and objective method of selecting a contractor. However, 5 6 under certain circumstances, alternative public works contracting procedures may best serve the public interest if such procedures are 7 implemented in an open and fair process based on objective and 8 equitable criteria. In addition, alternative public works contracting 9 10 can provide increased access to contracting opportunities for small, minority, women, and veteran-owned businesses. The purpose of this 11 12 chapter is to authorize the use of certain supplemental alternative public works contracting procedures, to prescribe appropriate 13 requirements to ensure that such contracting procedures serve the 14 15 public interest and advance contracting opportunities for small, 16 minority, women, and veteran-owned businesses to the extent permitted 17 by law, and to establish a process for evaluation of such contracting procedures. It is the intent of the legislature to establish that, 18 19 unless otherwise specifically provided for in law, public bodies may use only those alternative public works contracting procedures 20 21 specifically authorized in this chapter, subject to the requirements 22 of this chapter. It is also the intent of the legislature that 23 inclusion plans required by this chapter may include, with public 24 body approval and to the extent permitted by law, features to improve 25 access to opportunities, including outreach and mentorship, capital including, modified payment provisions, training, and other features 26 27 intended to maximize the participation and success of small, 28 minority, women, and veteran-owned businesses.

29 Sec. 5. RCW 39.10.210 and 2021 c 230 s 1 are each amended to 30 read as follows:

31 Unless the context clearly requires otherwise, the definitions in 32 this section apply throughout this chapter.

(1) "Alternative public works contracting procedure" means the design-build, general contractor/construction manager, and job order contracting procedures authorized in RCW 39.10.300, 39.10.340, and 39.10.420, respectively.

37 (2) "Board" means the capital projects advisory review board.

38 (3) "Budget contingencies" means contingencies established by a 39 public body outside of the design-build or general contractor/

1 construction manager contract for payment of project costs that are 2 not the responsibility of the design-builder or general contractor/ 3 construction manager under the respective contract.

4 (4) "Certified public body" means a public body certified to use
5 design-build or general contractor/construction manager contracting
6 procedures, or both, under RCW 39.10.270.

7 (5) "Coefficient" means the job order contractor's competitively 8 bid numerical factor applied to the public body's prices as published 9 in the unit price book.

10 (6) "Committee," unless otherwise noted, means the project review 11 committee.

12 (7) "Design-build procedure" means a contract between a public 13 body and another party in which the party agrees to both design and 14 build the facility, portion of the facility, or other item specified 15 in the contract.

16 (8) (("Disadvantaged business enterprise" means any business 17 entity certified with the office of minority and women's business 18 enterprises under chapter 39.19 RCW.

19 (9)) "General contractor/construction manager" means a firm with 20 which a public body has selected to provide services during the 21 design phase and negotiated a maximum allowable construction cost to 22 act as construction manager and general contractor during the 23 construction phase.

24 ((<del>(10)</del>)) <u>(9)</u> "Heavy civil construction project" means a civil 25 engineering project, the predominant features of which are 26 infrastructure improvements.

27 (((11))) (10) "Job order contract" means a contract in which the 28 contractor agrees to a fixed period, indefinite quantity delivery 29 order contract which provides for the use of work orders for public 30 works as defined in RCW 39.04.010.

31 ((<del>(12)</del>)) <u>(11)</u> "Job order contractor" means a registered or 32 licensed contractor awarded a job order contract.

33 ((<del>(13)</del>)) <u>(12)</u> "Maximum allowable construction cost" means the 34 maximum cost of the work to construct the project including a 35 percentage for risk contingency, negotiated support services, and 36 approved change orders.

37 (((14))) (13) "Negotiated support services" means items a general 38 contractor would normally manage or perform on a construction project 39 including, but not limited to surveying, hoisting, safety 40 enforcement, provision of toilet facilities, temporary heat, cleanup,

1 and trash removal, and that are negotiated as part of the maximum 2 allowable construction cost.

3 ((<del>(15)</del>)) <u>(14)</u> "Percent fee" means the percentage amount to be 4 earned by the general contractor/construction manager as overhead and 5 profit.

6 ((<del>(16)</del>)) <u>(15)</u> "Price-related factor" means an evaluation factor 7 that impacts costs which may include, but is not limited to overhead 8 and profit, lump sum or guaranteed maximum price for the entire or a 9 portion of the project, operating costs, or other similar factors 10 that may apply to the project.

((<del>(17)</del>)) <u>(16)</u> "Public body" means any general or special purpose government in the state of Washington, including but not limited to state agencies, institutions of higher education, counties, cities, towns, ports, school districts, and special purpose districts.

15 ((<del>(18)</del>)) <u>(17)</u> "Public works project" means any work for a public 16 body within the definition of "public work" in RCW 39.04.010.

17 ((<del>(19)</del>)) <u>(18)</u> "Risk contingency" means a contingency for use as 18 defined in the contract and established as part of the maximum 19 allowable construction cost for unexpected cost of work items that 20 have not otherwise been included or addressed in the maximum 21 allowable construction cost.

22 ((<del>(20)</del>)) <u>(19)</u> "Small business ((entity))" means a small business 23 as defined in RCW ((<del>39.26.010</del>)) <u>39.04.010</u>.

24 ((<del>(21)</del>)) <u>(20)</u> "Total contract cost" means the fixed amount for 25 the detailed specified general conditions work, the negotiated 26 maximum allowable construction cost, and the percent fee on the 27 negotiated maximum allowable construction cost.

28 ((((22)))) (21) "Total project cost" means the cost of the project 29 less financing and land acquisition costs.

30 ((<del>(23)</del>)) <u>(22)</u> "Unit price book" means a book containing specific 31 prices, based on generally accepted industry standards and 32 information, where available, for various items of work to be 33 performed by the job order contractor.

34 (((-24))) (23) "Work order" means an order issued for a definite 35 scope of work to be performed pursuant to a job order contract.

36 Sec. 6. RCW 39.10.220 and 2021 c 230 s 2 are each amended to 37 read as follows:

38 (1) The board is created in the department of enterprise services 39 to provide an evaluation of public capital projects construction

1 processes, including the impact of contracting methods on project 2 outcomes, and to advise the legislature on policies related to public 3 works delivery methods.

4 (2) Members of the board identified in (a) through (f) of this
5 subsection must be knowledgeable or have experience in public works
6 procurement and contracting, including state and federal laws, rules,
7 and best practices concerning public contracting for <u>small</u>, minority,
8 women, and veteran-owned businesses ((and small businesses)), and are
9 appointed as follows:

(a) Two representatives from construction general contracting; 10 11 one representative from the architectural profession; one 12 representative from the engineering profession; two representatives from construction specialty subcontracting; two representatives from 13 construction trades labor organizations; one representative from the 14 15 office of minority and women's business enterprises; one 16 representative from a higher education institution; one 17 representative from the department of enterprise services; one individual representing Washington cities; two representatives from 18 19 private industry; one individual from the private sector representing the interests of the ((disadvantaged business enterprises)) small, 20 21 minority, women, or veteran-owned businesses community; and one 22 representative of a domestic insurer authorized to write surety bonds 23 for contractors in Washington state, each appointed by the governor. The board must reflect the gender, racial, ethnic, and geographic 24 25 diversity of the state, including the interests of persons with disabilities. If a vacancy occurs, the governor shall fill the 26 vacancy for the unexpired term; 27

(b) One member representing counties, selected by the Washingtonstate association of counties;

30 (c) One member representing public ports, selected by the 31 Washington public ports association;

32 (d) One member representing public hospital districts, selected33 by the association of Washington public hospital districts;

34 (e) One member representing school districts, selected by the35 Washington state school directors' association;

36 (f) One member representing transit, selected by the Washington 37 state transit association; and

38 (g) Two members of the house of representatives, one from each 39 major caucus, appointed by the speaker of the house of 40 representatives, and two members of the senate, one from each major

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1 caucus, appointed by the president of the senate. Legislative members 2 are nonvoting.

3 (3) Members selected under subsection (2)(a) of this section
4 shall serve for terms of four years, with the terms expiring on June
5 30th on the fourth year of the term.

6 (4) The board chair is selected from among the appointed members 7 by the majority vote of the voting members.

8 (5) Legislative members of the board shall be reimbursed for 9 travel expenses in accordance with RCW 44.04.120. Nonlegislative 10 members of the board, project review committee members, and committee 11 chairs shall be reimbursed for travel expenses as provided in RCW 12 43.03.050 and 43.03.060.

13 (6) Vacancies are filled in the same manner as appointed. Members 14 of the board may be removed for malfeasance or misfeasance in office, 15 upon specific written charges by the governor, under chapter 34.05 16 RCW.

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(7) The board shall meet as often as necessary.

18 (8) Board members are expected to consistently attend board 19 meetings. The chair of the board may ask the governor to remove any 20 member who misses more than two meetings in any calendar year without 21 cause.

(9) The department of enterprise services shall provide staff support as may be required for the proper discharge of the function of the board.

(10) The board may establish committees as it desires and may invite nonmembers of the board to serve as committee members.

(11) The board shall provide opportunities for persons and entities not represented on the board to participate and provide insights on matters of interest to the board, particularly with respect to the experiences of <u>small</u>, minority, women, and veteranowned businesses ((and small businesses)).

32 Sec. 7. RCW 39.10.230 and 2021 c 230 s 3 are each amended to 33 read as follows:

34 The board has the following powers and duties:

(1) Develop and recommend to the legislature policies to encourage competition and to further enhance the quality, efficiency, and accountability of and equitable participation by ((disadvantaged business enterprises)) small, minority, women, or veteran-owned businesses in capital construction projects through the use of

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1 traditional and alternative delivery methods in Washington, and make recommendations regarding best practices, expansion, continuation, 2 3 elimination, or modification of the alternative public works contracting methods, including specific recommendations for reducing 4 barriers for and increasing participation by ((disadvantaged business 5 6 enterprises)) small, minority, women, or veteran-owned businesses;

7 (2) Evaluate the use of existing contracting procedures and the potential future use of other alternative contracting procedures 8 including competitive negotiation contracts; 9

10 (3) Submit recommendations to the appropriate committees of the legislature evaluating alternative contracting procedures that are 11 12 not authorized under this chapter;

13

(4) Appoint members of committees; and

14 (5) Direct the department of enterprise services to collect quantitative and qualitative data on alternative public works 15 16 contracting procedures to support the board's work in meeting the 17 purpose established in RCW 39.10.220(1).

Sec. 8. RCW 39.10.240 and 2021 c 230 s 4 are each amended to 18 read as follows: 19

(1) The board shall establish a project review committee to 20 21 review and approve public works projects using the design-build and 22 general contractor/construction manager contracting procedures authorized in RCW 39.10.300 and 39.10.340 and to certify public 23 24 bodies as provided in RCW 39.10.270.

25 (2) The board shall, by a majority vote of the board, appoint persons to the committee who are knowledgeable in the use of the 26 27 design-build and general contractor/construction manager contracting 28 procedures. Appointments must represent a balance of public and private sector representatives of the board listed in RCW 39.10.220, 29 and must include at least one member representing the interests of 30 31 ((disadvantaged business enterprises)) small, minority, women, or 32 veteran-owned businesses.

(a) Each member of the committee shall be appointed for a term of 33 three years. However, for initial appointments, the board shall 34 35 stagger the appointment of committee members so that the first members are appointed to serve terms of one, two, or three years from 36 37 the date of appointment. Appointees may be reappointed to serve more 38 than one term.

1 (b) The committee shall, by a majority vote, elect a chair and 2 vice chair for the committee.

3 (c) The committee chair may select a person or persons on a 4 temporary basis as a nonvoting member if project specific expertise 5 is needed to assist in a review.

6 (3) The chair of the committee, in consultation with the vice 7 chair, may appoint one or more panels of at least six committee 8 members to carry out the duties of the committee. Each panel shall 9 have balanced representation of the private and public sector 10 representatives serving on the committee, and shall include a member 11 representing the interests of ((disadvantaged business enterprises)) 12 small, minority, women, or veteran-owned businesses.

13 (4) Any member of the committee directly or indirectly affiliated 14 with a submittal before the committee must recuse himself or herself 15 from the committee consideration of that submittal.

16 (5) Any person who sits on the committee or panel is not 17 precluded from subsequently bidding on or participating in projects 18 that have been reviewed by the committee.

19 (6) The committee shall meet as often as necessary to ensure that 20 certification and approvals are completed in a timely manner.

21 Sec. 9. RCW 39.10.330 and 2021 c 230 s 7 are each amended to 22 read as follows:

(1) Contracts for design-build services shall be awarded through 23 24 a competitive process using public solicitation of proposals for design-build services. At a minimum, the public body shall publish at 25 least once in a legal newspaper of general circulation published in, 26 27 or as near as possible to, that part of the county in which the public work will be done, a notice of its request for qualifications 28 from proposers for design-build services, and the availability and 29 30 location of the request for proposal documents. The public body is 31 encouraged to post the design-build opportunity in additional areas, such as websites for business associations or the office of minority 32 women's business enterprises, to further publicize 33 and the opportunity for qualified design-build teams. The request for 34 qualifications documents shall include: 35

36 (a) A description of the project including the estimated design 37 build contract value and the intended use of the project;

38 (b) The reasons for using the design-build procedure;

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1 (c) A description of the qualifications to be required of the 2 proposer;

3 (d) A description of the process the public body will use to 4 evaluate qualifications and finalists' proposals, including 5 evaluation factors and the relative weight of factors and any 6 specific forms to be used by the proposers;

(i) Evaluation factors for gualifications shall include technical 7 qualifications, such as specialized experience and technical 8 competence of the firms and the key design and construction 9 personnel; capacity to perform; the proposer's past performance in 10 utilization of ((disadvantaged business enterprises)) business 11 entities certified with the office of minority and women's business 12 enterprises, including small businesses and business entities 13 certified with the department of veterans affairs, to the extent 14 permitted by law; ability to provide a performance and payment bond 15 16 for the project; and other appropriate factors. ((Evaluation factors must also include, but are not limited to, the proposer's past 17 performance in utilization of small business entities.)) Cost or 18 19 price-related factors are not permitted in the request for qualifications phase; 20

21 (ii) Evaluation factors for finalists' proposals shall include 22 the management plan to meet time and budget requirements and one or 23 more price-related factors. Evaluation factors must include a inclusion plan for ((small business entities and 24 proposer's 25 disadvantaged business enterprises)) business entities certified with the office of minority and women's business enterprises, including 26 small businesses and business entities certified with the department 27 28 of veterans affairs as subconsultants, subcontractors, and suppliers 29 for the project, to the extent permitted by law. Evaluation factors may also include, but not be limited to, the technical approach or 30 31 the design concept;

32 (e) Protest procedures including time limits for filing a 33 protest, which in no event may limit the time to file a protest to 34 fewer than four business days from the date the proposer was notified 35 of the selection decision;

36 (f) The proposed contract;

37 (g) The honorarium to be paid to finalists submitting responsive 38 proposals and who are not awarded a design-build contract;

(h) The schedule for the procurement process and the project; and(i) Other information relevant to the project.

1 (2) The public body shall establish an evaluation committee to evaluate the responses to the request for qualifications based solely 2 on the factors, weighting, and process identified in the request for 3 qualifications and any addenda issued by the public body. Based on 4 the evaluation committee's findings, the public body shall select not 5 6 more than five responsive and responsible finalists to submit 7 proposals. The public body may, in its sole discretion, reject all proposals and shall provide its reasons for rejection in writing to 8 9 all proposers.

(3) The public body must notify all proposers of the finalists 10 11 selected to move to the next phase of the selection process. The 12 process may not proceed to the next phase until two business days after all proposers are notified of the committee's selection 13 decision. At the request of a proposer not selected as a finalist, 14 the public body must provide the requesting proposer with a scoring 15 16 summary of the evaluation factors for its proposal. Proposers filing 17 a protest on the selection of the finalists must file the protest in 18 accordance with the published protest procedures. The selection process may not advance to the next phase of selection until two 19 business days after the final protest decision is transmitted to the 20 21 protestor.

(4) Upon selection of the finalists, the public body shall issue
a request for proposals to the finalists. The request for proposal
documents shall include:

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(a) Any specific forms to be used by the finalists; and

26 (b) Submission of a summary of the finalist's accident prevention 27 program and an overview of its implementation.

28 (5) The public body shall establish an evaluation committee to 29 evaluate the proposals submitted by the finalists. The finalists' proposals shall be evaluated and scored based solely on the factors, 30 31 weighting, and process identified in the request for qualifications, the request for proposals, and in any addenda published by the public 32 body. Public bodies may request best and final proposals from 33 finalists. The public body may initiate negotiations with the 34 finalist submitting the highest scored proposal. If the public body 35 36 is unable to execute a contract with the finalist submitting the highest scored proposal, negotiations with that finalist may be 37 38 suspended or terminated and the public body may proceed to negotiate 39 with the next highest scored finalist. Public bodies shall continue in accordance with this procedure until a contract agreement is
 reached or the selection process is terminated.

(6) The public body shall notify all finalists of the selection 3 decision and make a selection summary of the final proposals 4 available to all proposers within two business days of such 5 6 notification. If the public body receives a timely written protest from a finalist firm, the public body may not execute a contract 7 until two business days after the final protest decision 8 is transmitted to the protestor. The protestor must submit its protest 9 in accordance with the published protest procedures. 10

11 (7) The firm awarded the contract shall provide a performance and 12 payment bond for the contracted amount.

13 (8) Any contract must require the firm awarded the contract to 14 track and report to the public body and to the office of minority and 15 women's business enterprises its utilization of the office of 16 minority and women's business enterprises certified businesses and 17 veteran certified businesses.

(9) The public body shall provide appropriate honorarium payments to finalists submitting responsive proposals that are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on designbuild projects. In determining the amount of the honorarium, the public body shall recognize the level of effort required to meet the selection criteria.

25 Sec. 10. RCW 39.10.360 and 2021 c 230 s 9 are each amended to 26 read as follows:

(1) Public bodies should select general contractor/construction
 managers at a time in the project when the general contractor/
 construction manager's participation provides value.

30 Contracts for the services of a general contractor/ (2) 31 construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals 32 for general contractor/construction manager services. At a minimum, 33 the public body shall publish at least once in a legal newspaper of 34 35 general circulation published in, or as near as possible to, that part of the county in which the public work will be performed, a 36 notice of its request for qualifications from proposers for general 37 38 contractor/construction manager services, and the availability and location of the request for proposal documents. The public body is 39

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encouraged to post the general contractor/construction manager opportunity in additional areas, such as websites for business associations or the office of minority and women's business enterprises, to further publicize the opportunity for qualified general contractors/construction managers. The public solicitation of proposals shall include:

7 (a) A description of the project, including programmatic, 8 performance, and technical requirements and specifications when 9 available;

10 (b) The reasons for using the general contractor/construction 11 manager procedure;

12 (c) A description of the qualifications to be required of the13 firm, including submission of the firm's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors, the relative weight of factors, and protest procedures including time limits for filing a protest, which in no event may limit the time to file a protest to fewer than four business days from the date the proposer was notified of the selection decision;

20 (e) The form of the contract, including any contract for 21 preconstruction services, to be awarded;

22 (f) The estimated maximum allowable construction cost; and

23 (g) The bid instructions to be used by the general contractor/ 24 construction manager finalists.

25 (3) Evaluation factors for qualifications of the general 26 contractor/construction manager shall include, but not be limited to:

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(a) Experience and technical competence of key personnel;

(b) The proposer's past performance with negotiated or similarlycomplex projects;

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(c) The proposer's capacity to perform the work;

31 (d) The scope of work the firm proposes to self-perform and its 32 past performance of that scope of work;

33 (e) The proposer's approach to executing the project, including34 ability to meet the project time and budget requirements; and

(f) The proposer's past performance in utilization of ((disadvantaged business enterprises and small business entities)) business entities certified with the office of minority and women's business enterprises, including small businesses and business entities certified with the department of veterans affairs and the inclusion plan for ((small business entities and disadvantaged) business enterprises)) business entities certified with the office of minority and women's business enterprises, including small businesses and business entities certified with the department of veterans affairs as subconsultants, subcontractors, and suppliers for the project, to the extent permitted by law.

6 (4) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified 7 finalists, at the time specified by the public body, these finalists 8 shall submit final proposals, which must include sealed bids for the 9 percent fee on the estimated maximum allowable construction cost and 10 11 which may include other price-related factors identified in the 12 request for proposal. In no event shall a price-related factor include a request for overall project budget, estimate, or bid. The 13 public body shall establish a time and place for the opening of 14 sealed bids. At the time and place named, these bids must be publicly 15 16 opened and read and the public body shall make all previous scoring 17 available to the public. The public body shall select the firm submitting the highest scored final proposal using the evaluation 18 19 factors and the relative weight of factors published in the public solicitation of proposals. A public body shall not evaluate or 20 21 disqualify a proposal based on the terms of a collective bargaining 22 agreement.

23 (5) The public body shall notify all finalists of the selection decision and make a selection summary of the final proposals 24 25 available to all proposers within two business days of such notification. If the public body receives a timely written protest 26 from a proposer, the public body may not execute a contract until two 27 28 business days after the final protest decision is transmitted to the 29 protestor. The protestor must submit its protest in accordance with the published protest procedures. 30

(6) Public bodies may contract with the selected firm to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.

37 Sec. 11. RCW 39.10.380 and 2021 c 230 s 11 are each amended to 38 read as follows:

1 (1) All subcontract work and equipment and material purchases shall be competitively bid with public bid openings and require the 2 public solicitation of the bid documents. At a minimum, the general 3 contractor/construction manager shall publish at least once in a 4 legal newspaper of general circulation published in, or as near as 5 6 possible to, that part of the county in which the subcontract work will be performed, a notice of its request for bid, and the 7 availability and location of the bid documents. The general 8 contractor/construction manager is encouraged to post the subcontract 9 opportunity in additional areas beyond the legal newspaper 10 as 11 required by this subsection, such as websites for business 12 associations, the office of minority and women's business enterprises, and other locations and mediums that will further 13 publicize the opportunity for qualified subcontractors. Subcontract 14 bid packages and equipment and materials purchases shall be awarded 15 16 to the responsible bidder submitting the lowest responsive bid. In 17 preparing subcontract bid packages, the general contractor/ construction manager shall not be required to violate or waive terms 18 19 of a collective bargaining agreement. Individual bid packages are to be prepared with trades separated in the manner consistent with 20 21 industry practice to maximize participation and competition across all trades. Bundling of trades not normally combined into one bid 22 23 package is not allowed without justification and specific approval by the public body. Bid packages must be prepared to reduce barriers for 24 25 and increase participation by ((disadvantaged business enterprises)) business entities certified with the office of minority and women's 26 27 business enterprises, including small businesses and business 28 entities certified with the department of veterans affairs.

(2) All subcontract bid packages in which bidder eligibility was 29 30 not determined in advance shall include the specific objective 31 criteria that will be used by the general contractor/construction 32 manager and the public body to evaluate bidder responsibility. If the lowest bidder submitting a responsive bid is determined by the 33 general contractor/construction manager and the public body not to be 34 responsible, the general contractor/construction manager and the 35 36 public body must provide written documentation to that bidder explaining their intent to reject the bidder as not responsible and 37 afford the bidder the opportunity to establish that 38 it is a 39 responsible bidder. Responsibility shall be determined in accordance 40 with criteria listed in the bid documents. Protests concerning bidder

1 responsibility determination by the general contractor/construction 2 manager and the public body shall be in accordance with subsection 3 (4) of this section.

4 (3) All subcontractors who bid work over \$300,000 shall post a
5 bid bond. All subcontractors who are awarded a contract over \$300,000
6 shall provide a performance and payment bond for the contract amount.
7 All other subcontractors shall provide a performance and payment bond
8 if required by the general contractor/construction manager.

(4) If the general contractor/construction manager receives a 9 written protest from a subcontractor bidder or an equipment or 10 11 material supplier, the general contractor/construction manager shall 12 not execute a contract for the subcontract bid package or equipment or material purchase order with anyone other than the protesting 13 bidder without first providing at least two full business days' 14 written notice to all bidders of the intent to execute a contract for 15 16 the subcontract bid package. The protesting bidder must submit 17 written notice of its protest no later than two full business days 18 following the bid opening. Intermediate Saturdays, Sundays, and legal holidays are not counted. 19

20 (5) A low bidder who claims error and fails to enter into a 21 contract is prohibited from bidding on the same project if a second 22 or subsequent call for bids is made for the project.

(6) The general contractor/construction manager may negotiate with the lowest responsible and responsive bidder to negotiate an adjustment to the lowest bid or proposal price to reduce cost based upon agreed changes to the contract plans and specifications under the following conditions:

(a) All responsive bids or proposal prices exceed the publishedbid package estimates; and

30 (b) The apparent low responsive bid or proposal does not exceed 31 the published bid package estimates by more than 10 percent.

32 (7) If the negotiation is unsuccessful, the subcontract work or 33 equipment or material purchases must be rebid.

34 (8) The general contractor/construction manager must provide a
 35 written explanation to the public body if all bids are rejected.

36 Sec. 12. RCW 39.10.385 and 2021 c 230 s 12 are each amended to 37 read as follows:

The selection process in this section may be used by public bodies certified under RCW 39.10.270. It may also be used by

1 noncertified public bodies if this selection process has been approved for the project by the project review committee. As an 2 alternative to the subcontractor selection process outlined in RCW 3 39.10.380, a general contractor/construction manager may, with the 4 approval of the public body, select one or more subcontractors using 5 6 the process outlined in this section. This alternative selection 7 process may only be used when the anticipated value of the subcontract will exceed ((three million dollars)) \$3,000,000. When 8 using the alternative selection process, the general contractor/ 9 construction manager should select the subcontractor early in the 10 11 life of the public works project.

12 (1) In order to use this alternative selection process, the 13 general contractor/construction manager and the public body must 14 determine that it is in the best interest of the public. In making 15 this determination the general contractor/construction manager and 16 the public body must:

17 (a) Publish a notice of intent to use this alternative selection 18 process in the same legal newspaper where the public solicitation of 19 proposals is published. The general contractor/construction manager and public body are encouraged to post the notice in additional areas 20 21 beyond the legal newspaper as required under this subsection, such as 22 websites for business associations, the office of minority and 23 women's business enterprises, and other locations and mediums that will further publicize the intent to use this alternative selection 24 25 process. Notice must be published at least ((fourteen)) 14 calendar 26 days before conducting a public hearing. The notice must include the date, time, and location of the hearing; a statement justifying the 27 28 basis and need for the alternative selection process; (([and])) and 29 how interested parties may, prior to the hearing, obtain the following: (i) The evaluation criteria and applicable weight given to 30 31 each criteria that will be used for evaluation, including clear 32 definitions of what should be considered specified general conditions work and what should be considered the fee; and (ii) protest 33 procedures including time limits for filing a protest, which may, in 34 no event, limit the time to file a protest to fewer than four 35 36 business days from the date the proposer was notified of the selection decision. The evaluation criteria, weights assigned to each 37 criteria, and justification for using this selection process must be 38 39 made available upon request at least seven calendar days before the 40 public hearing;

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1 (b) Conduct a hearing and provide an opportunity for any interested party to submit written and verbal comments regarding the 2 3 justification for using this selection process, the evaluation criteria, weights for each criteria, and protest procedures; 4

(c) After the public hearing, consider the written and verbal 5 6 comments received and determine if using this alternative selection 7 process is in the best interests of the public; and

(d) Issue a written final determination to all interested 8 parties. The final determination shall state the reasons the 9 alternative selection process is determined to be in the best 10 11 interests of the public and shall reasonably address the comments 12 received regarding the criteria and weights for each criterion. Any modifications to the criteria, weights, and protest procedures based 13 on comments received during the public hearing process must be 14 included in the final determination. All protests of the decision to 15 16 use the alternative selection process must be in writing and 17 submitted to the public body within seven calendar days of the final 18 determination. The public body shall not proceed with the selection 19 process until after responding in writing to the protest.

(2) Contracts for the services of a subcontractor under this 20 21 section must be awarded through a competitive process requiring a 22 public solicitation of proposals. Notice of the public solicitation 23 of proposals must be provided to the office of minority and women's business enterprises. The public solicitation of proposals must 24 25 include:

(a) A description of the project, including programmatic, 26 performance, and technical requirements and specifications when 27 28 available, along with a description of the project's unique aspects, 29 complexities, and challenges;

30

(b) The reasons for using the alternative selection process;

31 (c) A description of the minimum qualifications required of the 32 firm;

33 (d) A description of the process used to evaluate qualifications and proposals, including evaluation factors and the relative weight 34 35 of factors;

36 (e) Protest procedures;

The form of the contract, including any contract for 37 (f) preconstruction services, to be awarded; 38

39

(g) The estimated maximum allowable subcontract cost; and

40 (h) The bid instructions to be used by the finalists.

- (3) Evaluation factors for selection of the subcontractor must
   include, but not be limited to:
- 3 (a) Ability of the firm's professional personnel to deliver
  4 projects similar in size, scope, or complexity;

5 (b) The firm's past performance on projects similar in size, 6 scope, or complexity;

- 7 (c) The firm's ability to meet time and budget requirements on 8 projects similar in size, scope, or complexity;
- 9 (d) The scope of work the firm proposes to perform with its own 10 forces and its ability to perform that work;

(e) The firm's plan for inclusion of ((disadvantaged business enterprises)) business entities certified with the office of minority and women's business enterprises, including small businesses and business entities certified with the department of veterans affairs, to the extent permitted by law;

(f) The firm's proximity to the project location;

17 (g) The firm's approach to executing the project based on its 18 delivery of other projects similar in size, scope, or complexity;

- (h) The firm's approach to safety on the project;
- 19 20

16

(i) The firm's safety history;

(j) If interviews are part of the selection process, the solicitation shall describe how interviews will be scored or evaluated, and evaluations shall be included in the written selection summary; and

(k) If the firm is selected as one of the most qualified finalists, the firm's fee and cost proposal.

(4) The general contractor/construction manager shall establish a committee to evaluate the proposals. At least one representative from the public body shall serve on the committee. Final proposals, including sealed bids for the percent fee on the estimated maximum allowable subcontract cost, and the fixed amount for the subcontract general conditions work specified in the request for proposal, will be requested from the most qualified firms.

(5) The general contractor/construction manager must notify all proposers of the most qualified firms that will move to the next phase of the selection process. The process may not proceed to the next phase until two business days after all proposers are notified of the committee's selection decision. At the request of a proposer, the general contractor/construction manager must provide the requesting proposer with a scoring summary of the evaluation factors

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for its proposal. Proposers filing a protest on the selection of the most qualified finalists must file the protest with the public body in accordance with the published protest procedures. The selection process may not advance to the next phase of selection until two business days after the final protest decision issued by the public body is transmitted to the protestor.

(6) The general contractor/construction manager and the public 7 body shall select the firm submitting the highest scored final 8 proposal using the evaluation factors and the relative weight of 9 factors identified in the solicitation of proposals. Scoring of the 10 11 nonprice factors shall be added to the scoring of the fee and cost 12 proposals to determine the highest scored firm. The scoring of the nonprice factors must be made available at the public opening of the 13 fee and cost proposals. The general contractor/construction manager 14 shall notify all proposers of the selection decision and make a 15 16 selection summary of the final proposals, which shall be available to 17 all proposers within two business days of such notification. The 18 general contractor/construction manager may not evaluate or 19 disqualify a proposal based on the terms of a collective bargaining 20 agreement.

(7) If the public body receives a timely written protest from a "most qualified firm," the general contractor/construction manager may not execute a contract for the protested subcontract work until two business days after the final protest decision issued by the public body is transmitted to the protestor. The protestor must submit its protest in accordance with the published protest procedures.

28 (8) If the general contractor/construction manager is unable to negotiate a satisfactory maximum allowable subcontract cost with the 29 firm selected deemed by public body and the general contractor/ 30 31 construction manager to be fair, reasonable, and within the available 32 funds, negotiations with that firm must be formally terminated and the general contractor/construction manager may negotiate with the 33 next highest scored firm until an agreement is reached or the process 34 35 is terminated.

(9) With the approval of the public body, the general contractor/ construction manager may contract with the selected firm to provide preconstruction services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options

1 for cost savings, and sequencing of work; and to act as the 2 subcontractor during the construction phase.

(10) The maximum allowable subcontract cost must be used to 3 establish a total subcontract cost for purposes of a performance and 4 payment bond. Total subcontract cost means the fixed amount for the 5 6 detailed specified general conditions work, the negotiated maximum allowable subcontract cost, and the percent fee on the negotiated 7 maximum allowable subcontract cost. Maximum allowable subcontract 8 cost means the maximum cost to complete the work specified for the 9 subcontract, including the estimated cost of work to be performed by 10 the subcontractor's own forces, a percentage for risk contingency, 11 12 negotiated support services, and approved change orders. The maximum allowable subcontract cost must be negotiated between the general 13 contractor/construction manager and the selected firm when the 14 15 construction documents and specifications are at least ninety percent 16 complete. Final agreement on the maximum allowable subcontract cost 17 is subject to the approval of the public body.

(11) If the work of the subcontractor is completed for less than 18 19 the maximum allowable subcontract cost, any savings not otherwise negotiated as part of an incentive clause becomes part of the risk 20 21 contingency included in the general contractor/construction manager's maximum allowable construction cost. If the work of the subcontractor 22 is completed for more than the maximum allowable subcontract cost, 23 the additional cost is the responsibility of that subcontractor. An 24 25 independent audit, paid for by the public body, must be conducted to 26 confirm the proper accrual of costs. The public body or general 27 contractor/construction manager shall define the scope of the audit in the contract. 28

(12) A subcontractor selected under this section may perform work with its own forces. In the event it elects to subcontract some of its work, it must select a subcontractor utilizing the procedure outlined in RCW 39.10.380.

33 Sec. 13. RCW 39.10.908 and 2021 c 230 s 19 are each amended to 34 read as follows:

In addition to the general contractor/construction manager requirements established in this chapter, public bodies utilizing the general contractor/construction manager method for a heavy civil construction project must also comply with the following requirements:

(1) The heavy civil construction general contractor/construction
 manager contract solicitation must:

3 (a) Provide the reasons for using the general contractor/ 4 construction manager procedure, including a clear statement that the 5 public body is electing to procure the project as a heavy civil 6 construction project;

7 (b) Indicate the minimum percentage of the cost of the work to 8 construct the project that will constitute the negotiated self-9 perform portion of the project;

10 (c) Indicate whether the public body will allow the price to be 11 paid for the negotiated self-perform portion of the project to be 12 deemed a cost of the work to which the general contractor/ 13 construction manager's percent fee applies; and

14 (d) Require proposals to indicate the proposer's fee for the 15 negotiated self-perform portion of the project;

16 (2) As part of the negotiation of the maximum allowable 17 construction cost established in RCW 39.10.370(1), the general 18 contractor/construction manager shall submit a proposed construction 19 management and contracting plan, which must include, at a minimum:

20

(a) The scope of work and cost estimates for each bid package;

(b) A proposed price and scope of work for the negotiated selfperform portion of the project;

(c) The bases used by the general contractor/construction manager to develop all cost estimates, including the negotiated self-perform portion of the project; and

26 (d) The general contractor/construction manager's updated 27 inclusion plan for ((small business entities, disadvantaged business enterprises)) business entities certified with the office of minority 28 29 and women's business enterprises, including small businesses and business entities certified with the department of veterans affairs, 30 31 and any other ((disadvantaged or)) underutilized businesses as the 32 public body may designate in the public solicitation of proposals, as subcontractors and suppliers for the project; 33

34 (3) The public body and general contractor/construction manager 35 may negotiate the scopes of work to be procured by bid and the price 36 and scope of work for the negotiated self-perform portion of the 37 project, if any;

38 (4) The negotiated self-perform portion of the project must not
 39 exceed 50 percent of the cost of the work to construct the project;

1 (5) Notwithstanding any contrary provision of this chapter, for a 2 project that a public body has elected to procure as a heavy civil 3 construction project under this chapter, at least 30 percent of the 4 cost of the work to construct the project included in the negotiated 5 maximum allowable construction cost must be procured through 6 competitive sealed bidding in which bidding by the general 7 contractor/construction manager or its subsidiaries is prohibited;

8 (6) Subject to the limitation of subsection (5) of this section, 9 the public body may additionally negotiate with the general 10 contractor/construction manager to determine on which scopes of work 11 the general contractor/construction manager will be permitted to bid, 12 if any;

13 (7) The public body and general contractor/construction manager 14 shall negotiate, to the public body's satisfaction, a fair and 15 reasonable inclusion plan;

16 (8) If the public body is unable to negotiate to its reasonable 17 satisfaction a component of this section, negotiations with the firm 18 must be terminated and the public body shall negotiate with the next 19 highest scored firm and continue until an agreement is reached or the 20 process is terminated; and

(9) For a project procured as a heavy civil construction project, an independent audit, paid for by the public body, must be conducted to confirm the proper accrual of costs as outlined in the contract. The public body shall define the scope of the audit in the contract.

NEW SECTION. Sec. 14. (1) A state agency or an authorized local government may utilize a statewide small works roster in accordance with subsection (2) of this section or create and maintain one or more small works rosters for different specialties, categories of anticipated work, or geographic areas served by contractors on the roster that have registered for inclusion on that particular roster.

31 (a) The small works roster shall consist of all responsible 32 contractors who have requested to be on the list, and where required 33 by law, are properly licensed or registered to perform such work in 34 this state in accordance with RCW 39.04.350.

35 (b) A state agency or authorized local government establishing a 36 small works roster must require contractors desiring to be placed on 37 the roster to indicate if they meet the definition of women and 38 minority-owned business as described in RCW 39.19.030(7)(b), veteran-39 owned business as defined in RCW 43.60A.010, or small business as

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defined in RCW 39.04.010, and to keep current records of any applicable licenses, certifications, registrations, bonding, insurance, or other appropriate matters on file with the appropriate agency as a condition of being placed on the roster and award of contract.

6 (c) At least once a year, the state agency or local government 7 must publish in a newspaper of general circulation and provide the 8 office of minority and women's business enterprises' directory of 9 certified firms a notice of the existence of the roster and solicit 10 contractors for the roster.

(d) Responsible contractors must be added to an appropriate roster at any time they submit a written request and the necessary records.

14 (e) The contractor must agree and be able to receive 15 notifications and other communications via email.

(f) State agencies or authorized local governments using a small works roster may not break a project into units or construct a project by phases if done for the purposes of avoiding maximum dollar amounts set by this act.

(2) The department of commerce though the municipal research and 20 21 services center shall develop a statewide small works roster in compliance with subsection (1) of this section by June 30, 2024. The 22 23 municipal research and services center must develop criteria for the statewide roster with collaboration from affected state and local 24 25 agencies. The statewide roster must have features to filter the roster by different specialties, categories of anticipated work, or 26 geographic areas served by contractors. The roster must also indicate 27 28 if the contractor is designated as a small business as defined in RCW 29 39.04.010.

30 (3) The department of commerce shall provide funding to the 31 municipal research and services center as appropriated to maintain 32 and publicize a small works roster and work with the municipal 33 research and services center to notify state and local governments 34 authorized to use small works rosters of the statewide roster 35 authority and to provide guidance on how to use the authority. The 36 guidance may take the form of a manual provided to local governments.

37 (4) A state agency establishing a small works roster shall adopt 38 rules implementing this section. A local government establishing a 39 small works roster shall adopt an ordinance or resolution 40 implementing this section. Procedures included in rules adopted by

the department of enterprise services in implementing this section 1 must be included in any rules providing for a small works roster that 2 is adopted by another state agency, if the authority for that state 3 agency to engage in these activities has been delegated to it by the 4 department of enterprise services under chapter 43.19 RCW. 5 An 6 interlocal contract or agreement between two or more state agencies or local governments establishing a small works roster to be used by 7 the parties to the agreement or contract must clearly identify the 8 lead entity that is responsible for implementing the provisions of 9 this subsection. 10

<u>NEW SECTION.</u> Sec. 15. (1) This section provides uniform small 11 12 works roster provisions to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement 13 of real property that may be used by state agencies and by any local 14 15 government that is expressly authorized to use these provisions. 16 These provisions may be used in lieu of other procedures to award contracts for such work with an estimated cost of \$350,000 or less 17 excluding state sales tax. The small works roster process includes 18 the direct contract provisions authorized under this section and any 19 20 local government authorized to award contracts using the small works 21 roster process under this section may award contracts using the 22 direct contract provisions of this section. State agencies and authorized local governments using small works rosters must establish 23 24 procedures for implementing this act.

(2) State agencies and authorized local governments must document good faith efforts annually implementing subsections (6) and (7) of this section.

(3) Invitations for bids or direct contract negotiation must include, at a minimum, an estimate for the scope of work including the nature of the work to be performed as well as the materials and equipment to be furnished. Detailed plans and specifications need not be included.

33 (4) The department of enterprise services must develop and make 34 available on its public-facing website templates for bid invitations, 35 bidding, and contracting that may be used by state agencies, 36 authorized local governments, and contractors.

37 (a) (i) For small works roster projects with an estimated cost 38 less than \$350,000, not including sales tax, state agencies and 39 authorized local governments may contract by securing written or

electronic quotations to assure that a competitive price is
 established and to award contracts to the responsible bidder with the
 lowest responsive bid.

4 (ii) A state agency or authorized local government contracting 5 through a small works roster shall invite bids notifying all 6 contractors on the applicable roster that have indicated interest in 7 performing work in the applicable geographical area.

8 (b) For small public works projects with an estimated cost less 9 than \$150,000, not including sales tax, to increase the utilization 10 of small businesses, state agencies and local governments are 11 encouraged to and may direct contract with small businesses as 12 defined in this act, before direct contracting with other contractors 13 on the appropriate small works roster without a competitive process 14 as follows:

(i) If there are six or more contractors meeting the definition of small business on the applicable roster, the state agency or authorized local government must direct contract with one of those small businesses on the applicable roster that have indicated interest in performing work in the applicable geographical area.

(ii) If there are five or less contractors meeting the definition of small business on the applicable roster, the state agency or authorized local government may direct contract with any contractor on the applicable roster.

(iii) It is the intent of the legislature to increase utilization 24 of small, minority, women, and veteran-owned businesses. Each state 25 agency and authorized local government shall establish a small, 26 minority, women, and veteran-owned business utilization plan. A state 27 agency or authorized local government engaging in direct contracting 28 may not favor certain contractors on the appropriate small works 29 roster by repeatedly awarding contracts without documented attempts 30 31 to direct contract with other contractors on the appropriate small 32 works roster.

(iv) If the state agency or authorized local government elects not to use the methods outlined in this subsection, it may not use direct contracting and must invite bids by electronically notifying all contractors on the applicable roster that have indicated interest in performing work in the applicable geographical area as described in this section.

39 (5) For small public works contracts under \$5,000, there is no 40 requirement for retainage or performance bonds. Small public works

1 contracts valued at more than \$5,000 shall be subject to performance bond requirements set forth in chapter 39.08 RCW and retainage 2 requirements set forth in chapter 60.28 RCW, provided, however, that 3 the awarding state agency or authorized local government may reduce 4 or waive retainage requirements set forth in RCW 60.28.011(1)(a), 5 6 thereby assuming the liability for the contractor's nonpayment of: Laborers, mechanics, subcontractors, materialpersons, and 7 (a) suppliers; and (b) taxes, increases, and penalties pursuant to Titles 8 50, 51, and 82 RCW that may be due from the contractor for the 9 project. Any such waiver will not affect the rights of the state 10 11 agency or local government to recover against the contractor for any 12 payments made on the contractor's behalf. For small public works contracts awarded through a bid solicitation, notice of any retainage 13 reduction or waiver must be provided in bid solicitations. 14

15 (6) After an award is made, the bid quotations obtained shall be 16 recorded, publicly available, and available by request.

(7) Annually, a state agency or authorized local government must publish a list of small works contracts awarded and contractors contacted for direct negotiation pursuant to RCW 39.04.200.

NEW SECTION. Sec. 16. Beginning in 2025 and every five years thereafter, the capital projects advisory review board must review construction cost escalation data for Washington state, readily available in industry publications, roster utilization, and other appropriate data and metrics, and make recommendations to the appropriate committees of the legislature on adjustments to the contracting thresholds described in section 15 of this act.

27 Sec. 17. RCW 28A.335.190 and 2013 c 223 s 1 are each amended to 28 read as follows:

29 (1) When, in the opinion of the board of directors of any school 30 district, the cost of any furniture, supplies, equipment, building, improvements, or repairs, or other work or purchases, except books, 31 will equal or exceed the threshold levels specified in subsections 32 (2) and (4) of this section, complete plans and specifications for 33 such work or purchases shall be prepared and notice by publication 34 given in at least one newspaper of general circulation within the 35 district, once each week for two consecutive weeks, of the intention 36 37 to receive bids and that specifications and other information may be examined at the office of the board or any other officially 38

designated location. The cost of any public work, improvement, or 1 repair for the purposes of this section shall be the aggregate of all 2 3 amounts to be paid for labor, material, and equipment on one continuous or interrelated project where work is to be performed 4 simultaneously or in close sequence. The bids shall be in writing and 5 6 shall be opened and read in public on the date and in the place named in the notice and after being opened shall be filed for public 7 inspection. 8

(2) Every purchase of furniture, equipment, or supplies, except 9 books, the cost of which is estimated to be in excess of ((forty 10 thousand dollars)) \$40,000, shall be on a competitive basis. The 11 12 board of directors shall establish a procedure for securing telephone and/or written quotations for such purchases. Whenever the estimated 13 14 cost is from ((forty thousand dollars)) \$40,000 up to ((seventy-five thousand dollars)) \$75,000, the procedure shall require quotations 15 16 from at least three different sources to be obtained in writing or by 17 telephone, and recorded for public perusal. Whenever the estimated 18 cost is in excess of ((seventy-five thousand dollars)) \$75,000, the 19 public bidding process provided in subsection (1) of this section shall be followed. 20

21 (3) Any school district may purchase goods produced or provided in whole or in part from class II inmate work programs operated by 22 23 the department of corrections pursuant to RCW 72.09.100, including not limited to furniture, equipment, or supplies. School 24 but districts are encouraged to set as a target to contract, beginning 25 26 after June 30, 2006, to purchase up to one percent of the total goods required by the school districts each year, goods produced or 27 28 provided in whole or in part from class II inmate work programs operated by the department of corrections. 29

(4) The board may make improvements or repairs to the property of 30 31 the district through a department within the district without following the public bidding process provided in subsection (1) of 32 33 this section when the total of such improvements or repairs does not exceed the sum of ((seventy-five thousand dollars)) \$75,000. Whenever 34 the estimated cost of a building, improvement, repair, or other 35 public works project is one hundred thousand dollars or more, the 36 public bidding process provided in subsection (1) of this section 37 shall be followed unless the contract is let using the small works 38 39 roster process in ((RCW 39.04.155)) sections 14 through 16 of this 40 act or under any other procedure authorized for school districts. One

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1 or more school districts may authorize an educational service 2 district to establish and operate a small works roster for the school 3 district under the provisions of ((RCW 39.04.155)) sections 14 4 through 16 of this act.

5 (5) The contract for the work or purchase shall be awarded to the 6 lowest responsible bidder as described in RCW 39.26.160(2) but the 7 board may by resolution reject any and all bids and make further 8 calls for bids in the same manner as the original call. On any work 9 or purchase the board shall provide bidding information to any 10 qualified bidder or the bidder's agent, requesting it in person.

11 (6) In the event of any emergency when the public interest or property of the district would suffer material injury or damage by 12 delay, upon resolution of the board declaring the existence of such 13 14 an emergency and reciting the facts constituting the same, the board may waive the requirements of this section with reference to any 15 16 purchase or contract: PROVIDED, That an "emergency," for the purposes of this section, means a condition likely to result in immediate 17 physical injury to persons or to property of the school district in 18 the absence of prompt remedial action. 19

20 (7) This section does not apply to the direct purchase of school 21 buses by school districts and educational services in accordance with 22 RCW 28A.160.195.

23 (8) This section does not apply to the purchase of Washington 24 grown food.

(9) At the discretion of the board, a school district may develop and implement policies and procedures to facilitate and maximize to the extent practicable, purchases of Washington grown food including, but not limited to, policies that permit a percentage price preference for the purpose of procuring Washington grown food.

30 (10) As used in this section, "Washington grown" has the 31 definition in RCW 15.64.060.

32 (11) As used in this section, "price percentage preference" means 33 the percent by which a responsive bid from a responsible bidder whose 34 product is a Washington grown food may exceed the lowest responsive 35 bid submitted by a responsible bidder whose product is not a 36 Washington grown food.

37 Sec. 18. RCW 28B.10.350 and 2009 c 229 s 2 are each amended to 38 read as follows:

1 (1) When the cost to The Evergreen State College or any regional or state university of any building, construction, renovation, 2 3 remodeling, or demolition, other than maintenance or repairs, will equal or exceed the sum of ((ninety thousand dollars)) \$90,000, or 4 ((forty-five thousand dollars)) \$45,000 if the work involves one 5 6 trade or craft area, complete plans and specifications for the work 7 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 8 9 lowest responsive bid.

10 (2) Any building, construction, renovation, remodeling, or 11 demolition project that exceeds the dollar amounts in subsection (1) 12 of this section is subject to the provisions of chapter 39.12 RCW.

13 (3) The Evergreen State College or any regional or state 14 university may require a project to be put to public bid even when it 15 is not required to do so under subsection (1) of this section. Any 16 project publicly bid under this subsection is subject to the 17 provisions of chapter 39.12 RCW.

(4) Where the estimated cost of any building, construction, renovation, remodeling, or demolition is less than ((ninety thousand dollars)) <u>\$90,000</u> or the contract is awarded by the small works roster procedure authorized in ((RCW 39.04.155)) sections 14 through <u>16 of this act</u>, the publication requirements of RCW 39.04.020 do not apply.

(5) In the event of any emergency when the public interest or 24 25 property of The Evergreen State College or a regional or state university would suffer material injury or damage by delay, the 26 president of such college or university may declare the existence of 27 28 an emergency and, reciting the facts constituting the same, may waive the requirements of this section with reference to any contract in 29 order to correct the condition causing the emergency. For the 30 31 purposes of this section, "emergency" means a condition likely to 32 result in immediate physical injury to persons or to property of the 33 college or university in the absence of prompt remedial action or a condition which immediately impairs the institution's ability to 34 perform its educational obligations. 35

(6) This section does not apply when a contract is awarded by the
 small works roster procedure authorized in ((RCW 39.04.155)) sections
 <u>14 through 16 of this act</u> or under any other procedure authorized for
 an institution of higher education.

1 Sec. 19. RCW 28B.50.330 and 2009 c 229 s 1 are each amended to 2 read as follows:

(1) The boards of trustees of college districts are empowered in 3 accordance with the provisions of this chapter to provide for the 4 construction, reconstruction, erection, equipping, demolition, and 5 6 major alterations of buildings and other capital assets, and the 7 acquisition of sites, rights-of-way, easements, improvements, or appurtenances for the use of the aforementioned colleges 8 as authorized by the college board in accordance with RCW 28B.50.140; to 9 be financed by bonds payable out of special funds from revenues 10 11 hereafter derived from income received from such facilities, gifts, 12 bequests, or grants, and such additional funds as the legislature may provide, and payable out of a bond retirement fund to be established 13 by the respective district boards in accordance with rules of the 14 state board. With respect to building, improvements, or repairs, or 15 16 other work, where the estimated cost exceeds ((ninety thousand 17 dollars)) <u>\$90,000</u>, or ((forty-five thousand dollars)) <u>\$45,000</u> if the 18 work involves one trade or craft area, complete plans and 19 specifications for the work shall be prepared, the work shall be put out for a public bid, and the contract shall be awarded to the 20 responsible bidder who submits the lowest responsive bid. Any project 21 22 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)) sections <u>14 through 16 of this act</u>.

(3) Where the estimated cost to any college of any building,
improvements, or repairs, or other work, is less than ((ninety
thousand dollars)) \$90,000, or ((forty-five thousand dollars))
\$45,000 if the work involves one trade or craft area, the publication
requirements of RCW 39.04.020 do not apply.

31 Sec. 20. RCW 35.22.620 and 2019 c 434 s 11 are each amended to 32 read as follows:

33 (1) As used in this section, the term "public works" means as 34 defined in RCW 39.04.010.

35 (2) A first-class city may have public works performed by 36 contract pursuant to public notice and call for competitive bids. As 37 limited by subsection (3) of this section, a first-class city may 38 have public works performed by city employees in any annual or 39 biennial budget period equal to a dollar value not exceeding ((ten))

1 <u>10</u> percent of the public works construction budget, including any 2 amount in a supplemental public works construction budget, over the 3 budget period. The amount of public works that a first-class city has 4 a county perform for it under RCW 35.77.020 shall be included within 5 this ((ten)) <u>10</u> percent limitation.

If a first-class city has public works performed by public 6 7 employees in any budget period that are in excess of this ((ten)) 10 percent limitation, the amount in excess of the permitted amount 8 shall be reduced from the otherwise permitted amount of public works 9 that may be performed by public employees for that city in its next 10 11 budget period. Twenty percent of the motor vehicle fuel tax 12 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 13 to so reduce the amount of public works that it has performed by 14 public employees. The amount so withheld shall be distributed to the 15 16 city when it has demonstrated in its reports to the state auditor 17 that the amount of public works it has performed by public employees has been so reduced. 18

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.

28 In addition to the percentage limitation provided (3) in 29 subsection (2) of this section, a first-class city shall not have public employees perform a public works project in excess of ((one 30 31 hundred fifty thousand dollars)) \$150,000 if more than a single craft 32 or trade is involved with the public works project, or a public works project in excess of ((seventy-five thousand five hundred dollars)) 33 \$75,500 if only a single craft or trade is involved with the public 34 works project or the public works project is street signalization or 35 36 street lighting. A public works project means a complete project. The restrictions in this subsection do not permit the division of the 37 into units of work or classes of work to avoid the 38 project 39 restriction on work that may be performed by day labor on a single 40 project.

1 (4) In addition to the accounting and recordkeeping requirements contained in RCW 39.04.070, every first-class city annually may 2 prepare a report for the state auditor indicating the total public 3 works construction budget and supplemental public works construction 4 budget for that year, the total construction costs of public works 5 6 performed by public employees for that year, and the amount of public 7 works that is performed by public employees above or below ten percent of the total construction budget. However, if a city budgets 8 on a biennial basis, this annual report may indicate the amount of 9 public works that is performed by public employees within the current 10 11 biennial period that is above or below ten percent of the total 12 biennial construction budget.

Each first-class city with a population of ((<del>one hundred fifty</del> <del>thousand</del>)) <u>150,000</u> or less shall use the form required by RCW 43.09.205 to account and record costs of public works in excess of ((<del>five thousand dollars</del>)) <u>\$5,000</u> that are not let by contract.

17 (5) The cost of a separate public works project shall be the 18 costs of materials, supplies, equipment, and labor on the 19 construction of that project. The value of the public works budget 20 shall be the value of all the separate public works projects within 21 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)) sections 14 through 16 of this act.

30 Whenever possible, the city shall invite at least one proposal 31 from a certified minority or woman contractor who shall otherwise 32 qualify under this section.

33 (8) The allocation of public works projects to be performed by 34 city employees shall not be subject to a collective bargaining 35 agreement.

(9) This section does not apply to performance-based contracts,
 as defined in RCW 39.35A.020((-(4)-)) (6), that are negotiated under
 chapter 39.35A RCW.

1 (10) Nothing in this section shall prohibit any first-class city from allowing for preferential purchase of products made 2 from recycled materials or products that may be recycled or reused. 3

(11) (a) Any first-class city may procure public works with a unit 4 priced contract under this section for the purpose of completing 5 6 anticipated types of work based on hourly rates or unit pricing for one or more categories of work or trades. 7

(b) For the purposes of this section, "unit priced contract" 8 means a competitively bid contract in which public works are 9 anticipated on a recurring basis to meet the business or operational 10 11 needs of the city, under which the contractor agrees to a fixed 12 period indefinite quantity delivery of work, at a defined unit price 13 for each category of work.

14 (c) Unit priced contracts must be executed for an initial contract term not to exceed three years, with the city having the 15 16 option of extending or renewing the unit priced contract for one 17 additional year.

(d) Invitations for unit price bids shall include, for purposes 18 of the bid evaluation, estimated quantities of the anticipated types 19 of work or trades, and specify how the city will issue or release 20 21 work assignments, work orders, or task authorizations pursuant to a unit priced contract for projects, tasks, or other work based on the 22 hourly rates or unit prices bid by the contractor. Contracts must be 23 awarded to the lowest responsible bidder as per RCW 39.04.010. 24 25 Whenever possible, the city must invite at least one proposal from a 26 certified minority or woman contractor who otherwise qualifies under this section. 27

28 (e) Unit price contractors shall pay prevailing wages for all 29 work that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each 30 31 work order must be the prevailing wage rates in effect at the 32 beginning date for each contract year. Unit priced contracts must have prevailing wage rates updated annually. Intents and affidavits 33 for prevailing wages paid must be submitted annually for all work 34 35 completed within the previous ((twelve-month)) <u>12-month</u> period of the 36 unit priced contract.

37 Sec. 21. RCW 35.23.352 and 2019 c 434 s 1 are each amended to 38 read as follows:

1 (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 2 3 calling for bids therefor whenever the estimated cost of the work or improvement, including cost of materials, supplies and equipment will 4 not exceed the sum of ((one hundred sixteen thousand one hundred 5 6 fifty-five dollars)) \$116,155 if more than one craft or trade is involved with the public works, or ((seventy-five thousand five 7 hundred dollars)) \$75,500 if a single craft or trade is involved with 8 the public works or the public works project is street signalization 9 or street lighting. A public works project means a complete project. 10 11 The restrictions in this subsection do not permit the division of the 12 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 13 14 project.

Whenever the cost of the public work or improvement, including 15 16 materials, supplies and equipment, will exceed these figures, the 17 same shall be done by contract. All such contracts shall be let at public bidding upon publication of notice calling for sealed bids 18 upon the work. The notice shall be published in the official 19 newspaper, or a newspaper of general circulation most likely to bring 20 21 responsive bids, at least thirteen days prior to the last date upon which bids will be received. The notice shall generally state the 22 23 nature of the work to be done that plans and specifications therefor shall then be on file in the city or town hall 24 for public 25 inspections, and require that bids be sealed and filed with the council or commission within the time specified therein. Each bid 26 shall be accompanied by a bid proposal deposit in the form of a 27 28 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 29 the bid, and no bid shall be considered unless accompanied by such 30 31 bid proposal deposit. The council or commission of the city or town 32 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 33 calls for bids in the same manner as the original call. 34

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)) <u>10</u> 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.

8 If no bid is received on the first call the council or commission 9 may readvertise and make a second call, or may enter into a contract 10 without any further call or may purchase the supplies, material or 11 equipment and perform the work or improvement by day labor.

12 (2) For the purposes of this section, "lowest responsible bidder" means a bid that meets the criteria under RCW 39.04.350 and has the 13 lowest bid; provided, that if the city issues a written finding that 14 the lowest bidder has delivered a project to the city within the last 15 16 three years which was late, over budget, or did not meet 17 specifications, and the city does not find in writing that such 18 bidder has shown how they would improve performance to be likely to 19 meet project specifications then the city may choose the second lowest bidder whose bid is within five percent of the lowest bid and 20 meets the same criteria as the lowest bidder. 21

(3) The allocation of public works projects to be performed by city or town employees shall not be subject to a collective bargaining agreement.

(4) 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)) sections 14 through 16 of this act.

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

32 (5) The form required by RCW 43.09.205 shall be to account and 33 record costs of public works in excess of ((five thousand dollars)) 34 <u>\$5,000</u> that are not let by contract.

35 (6) The cost of a separate public works project shall be the 36 costs of the materials, equipment, supplies, and labor on that 37 construction project.

38 (7) Any purchase of supplies, material, or equipment, except for 39 public work or improvement, where the cost thereof exceeds seven 40 thousand five hundred dollars shall be made upon call for bids.

1 (8) Bids shall be called annually and at a time and in the manner 2 prescribed by ordinance for the publication in a newspaper of general 3 circulation in the city or town of all notices or newspaper 4 publications required by law. The contract shall be awarded to the 5 lowest responsible bidder.

6 (9) For advertisement and formal sealed bidding to be dispensed 7 with as to purchases with an estimated value of ((fifteen thousand 8 dollars)) <u>\$15,000</u> or less, the council or commission must authorize 9 by resolution, use of the uniform procedure provided in RCW 10 39.04.190.

(10) 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.

15 (11) This section does not apply to performance-based contracts, 16 as defined in RCW 39.35A.020(((++))) (6), that are negotiated under 17 chapter 39.35A RCW.

18 (12) Nothing in this section shall prohibit any second-class city 19 or any town from allowing for preferential purchase of products made 20 from recycled materials or products that may be recycled or reused.

(13) (a) Any second-class city or any town may procure public works with a unit priced contract under this section for the purpose of completing anticipated types of work based on hourly rates or unit pricing for one or more categories of work or trades.

(b) For the purposes of this section, "unit priced contract" means a competitively bid contract in which public works are anticipated on a recurring basis to meet the business or operational needs of the city or town, under which the contractor agrees to a fixed period indefinite quantity delivery of work, at a defined unit price for each category of work.

31 (c) Unit priced contracts must be executed for an initial 32 contract term not to exceed three years, with the city or town having 33 the option of extending or renewing the unit priced contract for one 34 additional year.

(d) Invitations for unit price bids shall include, for purposes of the bid evaluation, estimated quantities of the anticipated types of work or trades, and specify how the city or town will issue or release work assignments, work orders, or task authorizations pursuant to a unit priced contract for projects, tasks, or other work based on the hourly rates or unit prices bid by the contractor.

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Contracts must be awarded to the lowest responsible bidder as per RCW 39.04.010. Whenever possible, the city or town must invite at least one proposal from a certified minority or woman contractor who otherwise qualifies under this section.

(e) Unit price contractors shall pay prevailing wages for all 5 6 work that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each 7 work order must be the prevailing wage rates in effect at the 8 beginning date for each contract year. Unit priced contracts must 9 have prevailing wage rates updated annually. Intents and affidavits 10 11 for prevailing wages paid must be submitted annually for all work 12 completed within the previous ((twelve-month)) <u>12-month</u> period of the unit priced contract. 13

14 (14) Any second-class city or town that awards a project to a 15 bidder under the criteria described in subsection (2) of this section 16 must make an annual report to the department of commerce that 17 includes the total number of bids awarded to certified minority or 18 women contractors and describing how notice was provided to potential 19 certified minority or women contractors.

20 Sec. 22. RCW 35.61.135 and 2009 c 229 s 10 are each amended to 21 read as follows:

22 (1) All work ordered, the estimated cost of which is in excess of ((twenty thousand dollars)) \$20,000, shall be let by contract and 23 24 competitive bidding. Before awarding any such contract the board of park commissioners shall publish a notice in a newspaper of general 25 circulation where the district is located at least once ((thirteen)) 26 27 13 days before the last date upon which bids will be received, inviting sealed proposals for such work, plans, and specifications 28 which must at the time of publication of such notice be on file in 29 30 the office of the board of park commissioners subject to the public 31 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 32 with the board of park commissioners on or before the day and hour 33 named therein. 34

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 1 district as liquidated damages the amount specified in the bond, 2 3 unless the bidder enters into a contract in accordance with the bidder's bid, and no bid shall be considered unless accompanied by 4 such check, cash, or bid bond. At the time and place named such bids 5 6 shall be publicly opened and read and the board of park commissioners shall proceed to canvass the bids and may let such contract to the 7 lowest responsible bidder upon plans and specifications on file or to 8 the best bidder submitting the bidder's own plans and specifications. 9 The board of park commissioners may reject all bids for good cause 10 11 and readvertise and in such case all checks, cash, or bid bonds shall 12 be returned to the bidders. If the contract is let, then all checks, cash, or bid bonds shall be returned to the bidders, except that of 13 the successful bidder, which shall be retained until a contract is 14 15 entered into for doing the work, and a bond to perform such work 16 furnished with sureties satisfactory to the board of park 17 commissioners in the full amount of the contract price between the bidder and the metropolitan park district in accordance with the bid. 18 If the bidder fails to enter into the contract in accordance with the 19 bid and furnish the bond within ten days from the date at which the 20 21 bidder is notified that the bidder is the successful bidder, the check, cash, or bid bonds and the amount thereof shall be forfeited 22 to the metropolitan park district. If the bidder fails to enter into 23 a contract in accordance with the bidder's bid, and the board of park 24 25 commissioners deems it necessary to take legal action to collect on any bid bond required by this section, then the metropolitan park 26 district is entitled to collect from the bidder any legal expenses, 27 28 including reasonable attorneys' fees occasioned thereby. A low bidder who claims error and fails to enter into a contract is prohibited 29 from bidding on the same project if a second or subsequent call for 30 bids is made for the project. 31

32 (2) As an alternative to requirements under subsection (1) of 33 this section, a metropolitan park district may let contracts using 34 the small works roster process under ((<del>RCW 39.04.155</del>)) <u>sections 14</u> 35 <u>through 16 of this act</u>.

36 (3) Any purchase of materials, supplies, or equipment, with an
37 estimated cost in excess of ((forty thousand dollars)) \$40,000, shall
38 be by contract. Any purchase of materials, supplies, or equipment,
39 with an estimated cost of less than ((fifty thousand dollars))
40 \$50,000 shall be made using the process provided in RCW 39.04.190.

1 Any purchase of materials, supplies, or equipment with an estimated 2 cost of ((fifty thousand dollars)) <u>\$50,000</u> or more shall be made by 3 competitive bidding following the procedure for letting contracts for 4 projects under subsection (1) of this section.

(4) As an alternative to requirements under subsection (3) of 5 6 this section, a metropolitan park district may let contracts for 7 purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing 8 rosters for the materials, supplies, or equipment, when the roster 9 has been established in accordance with the competitive bidding law 10 11 for purchases applicable to the state agency, county, city, or town. 12 The price and terms for purchases shall be as described on the 13 applicable roster.

14 (5) The park board may waive the competitive bidding requirements 15 of this section pursuant to RCW 39.04.280 if an exemption contained 16 within RCW 39.04.280 applies to the purchase or public work.

17 Sec. 23. RCW 35.82.076 and 2000 c 138 s 205 are each amended to 18 read as follows:

A housing authority may establish and use a small works roster for awarding contracts under ((RCW 39.04.155)) sections 14 through 16 of this act.

22 Sec. 24. RCW 36.32.235 and 2019 c 434 s 8 are each amended to 23 read as follows:

24 (1) In each county which by resolution establishes a county 25 purchasing department, the purchasing department shall enter into leases of personal property on a competitive basis and purchase all 26 27 supplies, materials, and equipment on a competitive basis, for all departments of the county, as provided in this chapter and chapter 28 29 39.04 RCW, except that the county purchasing department is not 30 required to make purchases that are paid from the county road fund or equipment rental and revolving fund. 31

32

(2) As used in this section:

33 (a) "Public works" has the same definition as in RCW 39.04.010.

(b) "Riverine project" means a project of construction, alteration, repair, replacement, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property, carried out on a river or stream and its tributaries and associated

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1 floodplains, beds, banks, and waters for the purpose of improving 2 aquatic habitat, improving water quality, restoring floodplain 3 function, or providing flood protection.

"Stormwater project" means a project of construction, 4 (C) alteration, repair, replacement, or improvement other than ordinary 5 6 maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property, 7 carried out on a municipal separate storm sewer system, and any 8 connections to the system, that is regulated under a state-issued 9 national pollutant discharge elimination system general municipal 10 11 stormwater permit for the purpose of improving control of stormwater 12 runoff quantity and quality from developed land, safely conveying stormwater runoff, or reducing erosion or other water quality impacts 13 caused by municipal separate storm sewer system discharges. 14

(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.

(4) An advertisement shall be published in the county official 21 22 newspaper stating the time and place where bids will be opened, the 23 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 24 specifications therefor may be seen at the office of the clerk of the 25 26 county legislative authority. An advertisement shall also be published in a legal newspaper of general circulation in or as near 27 28 as possible to that part of the county in which such work is to be 29 done. If the county official newspaper is a newspaper of general circulation covering at least ((forty)) 40 percent of the residences 30 31 in that part of the county in which such public works are to be done, 32 then the publication of an advertisement of the applicable specifications in the county official newspaper is sufficient. Such 33 advertisements shall be published at least once at least ((thirteen)) 34 13 days prior to the last date upon which bids will be received. 35

36 (5) The bids shall be in writing, may be in either hard copy or 37 electronic form as specified by the county, shall be filed with the 38 clerk, shall be opened and read in public at the time and place named 39 therefor in the advertisements, and, after being opened, shall be 40 filed for public inspection. No bid may be considered for public work

1 unless it is accompanied by a bid deposit in the form of a surety 2 bond, postal money order, cash, cashier's check, or certified check 3 in an amount equal to five percent of the amount of the bid proposed.

4 (6) The contract for the public work shall be awarded to the 5 lowest responsible bidder. Any or all bids may be rejected for good 6 cause. The county legislative authority shall require from the 7 successful bidder for such public work a contractor's bond in the 8 amount and with the conditions imposed by law.

(7) If the bidder to whom the contract is awarded fails to enter 9 into the contract and furnish the contractor's bond as required 10 11 within ((ten)) 10 days after notice of the award, exclusive of the day of notice, the amount of the bid deposit shall be forfeited to 12 the county and the contract awarded to the next lowest and best 13 bidder. The bid deposit of all unsuccessful bidders shall be returned 14 after the contract is awarded and the required contractor's bond 15 16 given by the successful bidder is accepted by the county legislative 17 authority. Immediately after the award is made, the bid quotations 18 obtained shall be recorded and open to public inspection and shall be available by telephone inquiry. 19

(8) As limited by subsection (11) 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.

26 Whenever a county subject to these provisions has had public works performed in any budget period up to the maximum permitted 27 amount for that budget period, all remaining public works except 28 emergency work under subsection (13) of this section within that 29 budget period shall be done by contract pursuant to public notice and 30 31 call for competitive bids as specified in subsection (3) of this 32 section. The state auditor shall report to the state treasurer any county subject to these provisions that exceeds this amount and the 33 extent to which the county has or has not reduced the amount of 34 public works it has performed by public employees in subsequent 35 36 years.

(9) A county may procure public works with a unit priced contract under this section for the purpose of completing anticipated types of work based on hourly rates or unit pricing for one or more categories of work or trades.

1 (a) For the purposes of this section, "unit priced contract" 2 means a competitively bid contract in which public works are 3 anticipated on a recurring basis to meet the business or operational 4 needs of the county, under which the contractor agrees to a fixed 5 period indefinite quantity delivery of work, at a defined unit price 6 for each category of work.

7 (b) Unit priced contracts must be executed for an initial 8 contract term not to exceed one year, with the county having the 9 option of extending or renewing the unit priced contract for one 10 additional year.

11 (c) Invitations for unit price bids shall include, for purposes of the bid evaluation, estimated quantities of the anticipated types 12 of work or trades, and specify how the county will issue or release 13 work assignments, work orders, or task authorizations pursuant to a 14 unit priced contract for projects, tasks, or other work based on the 15 16 hourly rates or unit prices bid by the contractor. The contract must 17 be awarded to the lowest responsible bidder as defined under RCW 39.04.010. Whenever possible, the county must invite at least one bid 18 19 from a certified minority or woman contractor who otherwise qualifies under this section. 20

21 (d) Unit price contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 22 39.12 RCW. Prevailing wages for all work performed pursuant to each 23 work order must be the prevailing wage rates in effect at the 24 25 beginning date for each contract year. Unit priced contracts must 26 have prevailing wage rates updated annually. Intents and affidavits for prevailing wages paid must be submitted annually for all work 27 completed within the previous ((twelve-month)) <u>12-month</u> period of the 28 29 unit priced contract.

(10) If a county subject to these provisions has public works 30 31 performed by public employees in any budget period that are in excess 32 of this ten percent limitation, the amount in excess of the permitted amount shall be reduced from the otherwise permitted amount of public 33 works that may be performed by public employees for that county in 34 35 its next budget period. Ten percent of the motor vehicle fuel tax 36 distributions to that county shall be withheld if two years after the year in which the excess amount of work occurred, the county has 37 failed to so reduce the amount of public works that it has performed 38 by public employees. The amount withheld shall be distributed to the 39 county when it has demonstrated in its reports to the state auditor 40

1 that the amount of public works it has performed by public employees
2 has been reduced as required.

3 (11) In addition to the percentage limitation provided in subsection (8) of this section, counties subject to these provisions 4 containing a population of ((four hundred thousand)) 400,000 or more 5 6 shall not have public employees perform: A public works project in excess of ((ninety thousand dollars)) \$90,000 if more than a single 7 craft or trade is involved with the public works project, a riverine 8 project or stormwater project in excess of ((two hundred fifty 9 thousand dollars)) \$250,000 if more than a single craft or trade is 10 11 involved with the riverine project or stormwater project, a public 12 works project in excess of ((forty-five thousand dollars)) \$45,000 if only a single craft or trade is involved with the public works 13 project, or a riverine project or stormwater project in excess of 14 ((one hundred twenty-five thousand dollars)) \$125,000 if only a 15 16 single craft or trade is involved with the riverine project or 17 stormwater project. A public works project, a riverine project, and a stormwater project means a complete project. The restrictions in this 18 19 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 20 performed by public employees on a single project. 21

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.

(12) 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.

33 The year-end report submitted pursuant to this subsection to the 34 state auditor shall be in accordance with the standard form required 35 by RCW 43.09.205.

36 (13) Notwithstanding any other provision in this section, 37 counties may use public employees without any limitation for 38 emergency work performed under an emergency declared pursuant to RCW 39 36.32.270, and any such emergency work shall not be subject to the 40 limitations of this section. Publication of the description and

estimate of costs relating to correcting the emergency may be made 1 within seven days after the commencement of the work. Within two 2 weeks of the finding that such an emergency existed, the county 3 legislative authority shall adopt a resolution certifying the damage 4 to public facilities and costs incurred or anticipated relating to 5 6 correcting the emergency. Additionally this section shall not apply to architectural and engineering or other technical or professional 7 services performed by public employees in connection with a public 8 9 works project.

10 (14) In lieu of the procedures of subsections (3) through (12) of 11 this section, a county may let contracts using the small works roster 12 process provided in ((RCW 39.04.155)) sections 14 through 16 of this 13 act.

14 Whenever possible, the county shall invite at least one proposal 15 from a certified minority or woman contractor who shall otherwise 16 qualify under this section.

17 (15) The allocation of public works projects to be performed by 18 county employees shall not be subject to a collective bargaining 19 agreement.

(16) This section does not apply to performance-based contracts, as defined in RCW 39.35A.020(((4))) (6), that are negotiated under chapter 39.35A RCW.

(17) 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.

(18) 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).

31 Sec. 25. RCW 36.32.250 and 2009 c 229 s 8 are each amended to 32 read as follows:

No contract for public works may be entered into by the county legislative authority or by any elected or appointed officer of the county until 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. An advertisement shall be published in the county official newspaper stating the time and place where bids will be

opened, the time after which bids will not be received, the character 1 of the work to be done, the materials and equipment to be furnished, 2 and that specifications therefor may be seen at the office of the 3 clerk of the county legislative authority. An advertisement shall 4 also be published in a legal newspaper of general circulation in or 5 6 as near as possible to that part of the county in which such work is 7 to be done. If the county official newspaper is a newspaper of general circulation covering at least forty percent of the residences 8 in that part of the county in which such public works are to be done, 9 then the publication of an advertisement of the 10 applicable 11 specifications in the county official newspaper shall be sufficient. 12 Such advertisements shall be published at least once at least ((thirteen)) 13 days prior to the last date upon which bids will be 13 received. The bids shall be in writing, shall be filed with the 14 clerk, shall be opened and read in public at the time and place named 15 16 therefor in the advertisements, and after being opened, shall be 17 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 18 bond, postal money order, cash, cashier's check, or certified check 19 in an amount equal to five percent of the amount of the bid proposed. 20 21 The contract for the public work shall be awarded to the lowest responsible bidder. Any or all bids may be rejected for good cause. 22 The county legislative authority shall require from the successful 23 bidder for such public work a contractor's bond in the amount and 24 25 with the conditions imposed by law. If the bidder to whom the contract is awarded fails to enter into the contract and furnish the 26 contractor's bond as required within ten days after notice of the 27 award, exclusive of the day of notice, the amount of the bid deposit 28 29 shall be forfeited to the county and the contract awarded to the next lowest and best bidder. A low bidder who claims error and fails to 30 31 enter into a contract is prohibited from bidding on the same project 32 if a second or subsequent call for bids is made for the project. The bid deposit of all unsuccessful bidders shall be returned after the 33 contract is awarded and the required contractor's bond given by the 34 successful bidder is accepted by the county legislative authority. In 35 36 the letting of any contract for public works involving less than forty thousand dollars, advertisement and competitive bidding may be 37 38 dispensed with on order of the county legislative authority. 39 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.

As an alternative to requirements under this section, a county may let contracts using the small works roster process under ((<del>RCW</del> 5 <u>39.04.155</u>)) <u>sections 14 through 16 of this act</u>.

6 This section does not apply to performance-based contracts, as 7 defined in RCW 39.35A.020((++))) (6), that are negotiated under 8 chapter 39.35A RCW.

9 Sec. 26. RCW 36.77.075 and 2000 c 138 s 208 are each amended to 10 read as follows:

In lieu of the procedure for awarding contracts that is provided in RCW 36.77.020 through 36.77.040, a county may award contracts for public works projects on county roads using the small works roster process under ((RCW 39.04.155)) sections 14 through 16 of this act.

15 Sec. 27. RCW 39.04.200 and 2000 c 138 s 103 are each amended to 16 read as follows:

17 Any local government using the uniform process established in RCW 39.04.190 to award contracts for purchases must post a list of the 18 19 contracts awarded under that process at least once every two months. 20 Any state agency or local government using the small works roster process established in ((RCW 39.04.155)) sections 14 through 16 of 21 this act to award contracts for construction, building, renovation, 22 23 remodeling, alteration, repair, or improvement of real property must make available a list of the contracts awarded under that process at 24 least once every year. The list shall contain the name of the 25 26 contractor or vendor awarded the contract, the amount of the contract, a brief description of the type of work performed or items 27 purchased under the contract, and the date it was awarded. The list 28 29 shall also state the location where the bid quotations for these 30 contracts are available for public inspection.

31 Sec. 28. RCW 39.04.380 and 2015 c 225 s 39 are each amended to 32 read as follows:

(1) ((The department of enterprise services must conduct a survey and compile the results into a list of which states provide a bidding preference on public works contracts for their resident contractors. The list must include details on the type of preference, the amount of the preference, and how the preference is applied. The list must 1 be updated periodically as needed. The initial survey must be 2 completed by November 1, 2011, and by December 1, 2011, the 3 department must submit a report to the appropriate committees of the 4 legislature on the results of the survey. The report must include the 5 list and recommendations necessary to implement the intent of this 6 section and section 2, chapter 345, Laws of 2011.

7 (2) The department of enterprise services must distribute the report, along with the requirements of this section and section 2, 8 chapter 345, Laws of 2011, to all state and local agencies with the 9 10 authority to procure public works. The department may adopt rules and 11 procedures to implement the reciprocity requirements in subsection (3) of this section. However, subsection (3) of this section does not 12 take effect until the department of enterprise services has adopted 13 the rules and procedures for reciprocity under this subsection or 14 15 announced that it will not be issuing rules or procedures pursuant to 16 this section.

17 (3)) In any bidding process for public works in which a bid is received from a nonresident contractor from a state that provides a 18 19 percentage bidding preference, a comparable percentage disadvantage must be applied to the bid of that nonresident contractor. ((This 20 21 subsection does not apply until the department of enterprise services has adopted the rules and procedures for reciprocity under subsection 22 23 (2) of this section, or has determined and announced that rules are 24 not necessary for implementation.

25 (4))) (2) A nonresident contractor from a state that provides a 26 percentage bid preference means a contractor that:

(a) Is from a state that provides a percentage bid preference toits resident contractors bidding on public works contracts; and

(b) At the time of bidding on a public works project, does nothave a physical office located in Washington.

31 (((5))) (3) The state of residence for a nonresident contractor 32 is the state in which the contractor was incorporated or, if not a 33 corporation, the state where the contractor's business entity was 34 formed.

35 ((<del>(6)</del>)) <u>(4)</u> This section does not apply to public works procured 36 pursuant to RCW ((<del>39.04.155,</del>)) 39.04.280, <u>sections 14 through 16 of</u> 37 <u>this act</u>, or any other procurement exempt from competitive bidding.

38 Sec. 29. RCW 39.12.040 and 2019 c 434 s 6 are each amended to 39 read as follows:

1 (1) (a) Except as provided in subsection (2) of this section, before payment is made by or on behalf of the state, or any county, 2 municipality, or political subdivision created by its laws, of any 3 sum or sums due on account of a public works contract, it is the duty 4 of the officer or person charged with the custody and disbursement of 5 6 public funds to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to 7 such officer a "Statement of Intent to Pay Prevailing Wages". For a 8 contract in excess of ten thousand dollars, the statement of intent 9 to pay prevailing wages must include: 10

11

(i) The contractor's registration certificate number; and

(ii) The prevailing rate of wage for each classification of workers entitled to prevailing wages under RCW 39.12.020 and the estimated number of workers in each classification.

15 (b) Each statement of intent to pay prevailing wages must be 16 approved by the industrial statistician of the department of labor 17 and industries before it is submitted to the disbursing officer. 18 Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment 19 on a project estimate must state that the prevailing wages have been 20 paid in accordance with the prefiled statement or statements of 21 22 intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it is the 23 duty of the officer charged with the disbursement of public funds, to 24 25 require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer an affidavit 26 of wages paid before the funds retained according to the provisions 27 28 of RCW 60.28.011 are released to the contractor. On a public works project where no retainage is withheld, the affidavit of wages paid 29 must be submitted to the state, county, municipality, or other public 30 31 body charged with the duty of disbursing or authorizing disbursement 32 of public funds prior to final acceptance of the public works project. If a subcontractor performing work on a public works project 33 fails to submit an affidavit of wages paid form, the contractor or 34 subcontractor with whom the subcontractor had a contractual 35 relationship for the project may file the forms on behalf of the 36 nonresponsive subcontractor. Affidavit forms may only be filed on 37 behalf of a nonresponsive subcontractor who has ceased operations or 38 39 failed to file as required by this section. The contractor filing the 40 affidavit must accept responsibility for payment of prevailing wages 1 unpaid by the subcontractor on the project pursuant to RCW 39.12.020 2 and 39.12.065. Intentionally filing a false affidavit on behalf of a 3 subcontractor subjects the filer to the same penalties as are 4 provided in RCW 39.12.050. Each affidavit of wages paid must be 5 certified by the industrial statistician of the department of labor 6 and industries before it is submitted to the disbursing officer.

7 (2) As an alternate to the procedures provided for in subsection 8 (1) of this section, for public works projects of ((<del>two thousand five</del> 9 <del>hundred dollars</del>)) <u>\$5,000</u> or less ((<del>and for projects where the limited</del> 10 <del>public works process</del>)) <u>as allowed</u> under ((<del>RCW 39.04.155(3)</del>)) <u>section</u> 11 <u>15 of this act</u> is followed:

12 (a) An awarding agency may authorize the contractor or 13 subcontractor to submit the statement of intent to pay prevailing 14 wages directly to the officer or person charged with the custody or 15 disbursement of public funds in the awarding agency without approval 16 by the industrial statistician of the department of labor and 17 industries. The awarding agency must retain such statement of intent 18 to pay prevailing wages for a period of not less than three years.

19 (b) Upon final acceptance of the public works project, the awarding agency must require the contractor or subcontractor to 20 21 submit an affidavit of wages paid. Upon receipt of the affidavit of 22 wages paid, the awarding agency may pay the contractor or subcontractor in full, including funds that would otherwise be 23 retained according to the provisions of RCW 60.28.011. Within thirty 24 25 days of receipt of the affidavit of wages paid, the awarding agency 26 must submit the affidavit of wages paid to the industrial statistician of the department of labor and industries for approval. 27

(c) A statement of intent to pay prevailing wages and an
 affidavit of wages paid must be on forms approved by the department
 of labor and industries.

31 (d) In the event of a wage claim and a finding for the claimant by the department of labor and industries where the awarding agency 32 has used the alternative process provided for in this subsection (2), 33 the awarding agency must pay the wages due directly to the claimant. 34 If the contractor or subcontractor did not pay the wages stated in 35 36 the affidavit of wages paid, the awarding agency may take action at law to seek reimbursement from the contractor or subcontractor of 37 wages paid to the claimant, and may prohibit the contractor or 38 39 subcontractor from bidding on any public works contract of the 40 awarding agency for up to one year.

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1 (e) Nothing in this section may be interpreted to allow an 2 awarding agency to subdivide any public works project of more than 3 ((two thousand five hundred dollars)) <u>\$5,000</u> for the purpose of 4 circumventing the procedures required by subsection (1) of this 5 section.

6 **Sec. 30.** RCW 52.14.110 and 2019 c 434 s 12 are each amended to 7 read as follows:

8 Insofar as practicable, purchases and any public works by the 9 district shall be based on competitive bids. A formal sealed bid 10 procedure shall be used as standard procedure for purchases and 11 contracts for purchases executed by the board of commissioners. 12 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 ((forty thousand dollars)) \$40,000.
However, whenever the estimated cost does not exceed ((seventy-five
thousand dollars)) \$75,000, the commissioners may by resolution use
the process provided in RCW 39.04.190 to award contracts;

(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 ((thirty thousand dollars)) <u>\$30,000</u>, which includes the costs of labor, material, and equipment;

(3) Contracts using the small works roster process under ((<del>RCW</del>
 39.04.155)) sections 14 through 16 of this act; and

(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.

27 Sec. 31. RCW 53.08.120 and 2018 c 149 s 2 are each amended to 28 read as follows:

(1) All material and work required by a port district not meeting the definition of public work in RCW 39.04.010(((4))) may be procured in the open market or by contract and all work ordered may be done by contract or day labor.

(2) (a) All such contracts for work meeting the definition of "public work" in RCW 39.04.010(((4), the estimated cost of which exceeds three hundred thousand dollars,)) shall be awarded using a competitive bid process. The contract must be awarded at public bidding upon notice published in a newspaper of general circulation in the district at least ((thirteen)) 13 days before the last date

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upon which bids will be received, calling for bids upon the work, 1 plans and specifications for which shall then be on file in the 2 3 office of the commission for public inspection. The same notice may call for bids on such work or material based upon plans and 4 specifications submitted by the bidder. The competitive bidding 5 6 requirements for purchases or public works may be waived pursuant to RCW 39.04.280 if an exemption contained within that section applies 7 to the purchase or public work. 8

9 (b)<u>(i)</u> For all contracts related to work meeting the definition 10 of "public work" in RCW 39.04.010((<del>(4) that are estimated at three</del> 11 hundred thousand dollars or less)):

12 <u>(A) Until July 1, 2024</u>, a port district may let contracts using 13 the small works roster process under RCW 39.04.155 in lieu of 14 advertising for bids.

15 (B) Beginning July 1, 2024, a port district may let contracts 16 using the small works roster process under sections 14 through 16 of 17 this act in lieu of advertising for bids.

18 <u>(ii)</u> Whenever possible, the managing official shall invite at 19 least one proposal from a minority contractor who shall otherwise 20 qualify under this section.

<u>(iii)</u> When awarding such a contract for work, when utilizing proposals from the small works roster, the managing official shall give weight to the contractor submitting the lowest and best proposal, and whenever it would not violate the public interest, such contracts shall be distributed equally among contractors, including minority contractors, on the small works roster.

27 (c) Any port district may construct any public work, as defined 28 in RCW 39.04.010, by contract without calling for bids whenever the estimated cost of the work or improvement, including cost of 29 materials, supplies, and equipment, will not exceed the sum of 30 31 ((forty thousand dollars)) \$40,000. A "public works project" means a 32 complete project. The restrictions in this subsection do not permit 33 the division of the project into units of work or classes of work to avoid calling for bids. The port district managing official shall 34 make his or her best effort to reach out to qualified contractors, 35 including certified minority and woman-owned contractors. 36

(3) (a) A port district may procure public works with a unit priced contract under this section or RCW 39.04.010((<del>(2)</del>)) <u>(3)</u> for the purpose of completing anticipated types of work based on hourly rates or unit pricing for one or more categories of work or trades. 1 (b) For the purposes of this section, unit priced contract means 2 a competitively bid contract in which public works are anticipated on 3 a recurring basis to meet the business or operational needs of a port 4 district, under which the contractor agrees to a fixed period 5 indefinite quantity delivery of work, at a defined unit price, for 6 each category of work.

7 (c) Unit priced contracts must be executed for an initial 8 contract term not to exceed three years, with the port district 9 having the option of extending or renewing the unit priced contract 10 for one additional year.

11 (d) Invitations for unit priced bids shall include, for purposes of the bid evaluation, estimated quantities of the anticipated types 12 13 of work or trades, and specify how the port district will issue or 14 release work assignments, work orders, or task authorizations pursuant to a unit priced contract for projects, tasks, or other work 15 16 based on the hourly rates or unit prices bid by the contractor. 17 Contracts must be awarded to the lowest responsible bidder as per RCW 39.04.010. Whenever possible, the port district must invite at least 18 one proposal from a minority or woman contractor who otherwise 19 20 qualifies under this section.

21 (e) Unit priced contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 22 39.12 RCW. Prevailing wages for all work performed pursuant to each 23 24 work order must be the prevailing wage rates in effect at the 25 beginning date for each contract year. Unit priced contracts shall 26 have prevailing wage rates updated annually. Intents and affidavits 27 for prevailing wages paid shall be submitted annually for all work completed within the previous ((twelve-month)) <u>12-month</u> period of the 28 29 unit priced contract.

30 Sec. 32. RCW 54.04.070 and 2019 c 434 s 7 are each amended to 31 read as follows:

(1) Any item, or items of the same kind of materials, equipment, 32 33 or supplies purchased, the estimated cost of which is in excess of 34 thirty thousand dollars, exclusive of sales tax, shall be by 35 contract. However, a district may make purchases of the same kind of 36 items of materials, equipment, and supplies not exceeding ((twelve 37 thousand dollars)) \$12,000 in any calendar month without a contract, purchasing any excess thereof over ((twelve thousand dollars)) 38 \$12,000 by contract. 39

1 (2) Any work ordered by a district commission, the estimated cost of which is in excess of ((fifty thousand dollars)) \$50,000, 2 3 exclusive of sales tax, shall be by contract. However, a district commission may have its own regularly employed personnel perform work 4 which is an accepted industry practice under prudent utility 5 6 management without a contract. For purposes of this section, "prudent utility management" means performing work with regularly employed 7 personnel utilizing material of a worth not exceeding ((three hundred 8 thousand dollars)) \$300,000 in value without a contract. This limit 9 on the value of material being utilized in work being performed by 10 11 regularly employed personnel shall not include the value of 12 individual items of equipment. For the purposes of this section, the term "equipment" includes but is not limited to conductor, cabling, 13 wire, pipe, or lines used for electrical, water, fiber optic, or 14 telecommunications. 15

16 (3) Before awarding a contract required under subsection (1) or 17 (2) of this section, the commission shall publish a notice once or more in a newspaper of general circulation in the district at least 18 ((thirteen)) 13 days before the last date upon which bids will be 19 received, inviting sealed proposals for the work or materials. Plans 20 21 and specifications for the work or materials shall at the time of publication be on file at the office of the district and subject to 22 public inspection. Any published notice ordering work to be performed 23 for the district shall be mailed at the time of publication to any 24 25 established trade association which files a written request with the 26 district to receive such notices. The commission may, at the same time and as part of the same notice, invite tenders for the work or 27 materials upon plans and specifications to be submitted by the 28 29 bidders.

30 (4) As an alternative to the competitive bidding requirements of 31 this section and RCW 54.04.080, a district may let contracts using 32 the small works roster process under ((RCW 39.04.155)) sections 14 33 through 16 of this act.

(5) Whenever equipment or materials required by a district are held by a governmental agency and are available for sale but such agency is unwilling to submit a proposal, the commission may ascertain the price of such items and file a statement of such price supported by the sworn affidavit of one member of the commission, and may consider such price as a bid without a deposit or bond.

1 (6) Pursuant to RCW 39.04.280, the commission may waive the 2 competitive bidding requirements of this section and RCW 54.04.080 if 3 an exemption contained within RCW 39.04.280 applies to the purchase 4 or public work.

5 (7)(a) A district may procure public works with a unit priced 6 contract under this section, RCW 54.04.080, or 54.04.085 for the 7 purpose of completing anticipated types of work based on hourly rates 8 or unit pricing for one or more categories of work or trades.

9 (b) For the purposes of this section, unit priced contract means 10 a competitively bid contract in which public works are anticipated on 11 a recurring basis to meet the business or operational needs of a 12 district, under which the contractor agrees to a fixed period 13 indefinite quantity delivery of work, at a defined unit price, for 14 each category of work.

15 (c) Unit priced contracts must be executed for an initial 16 contract term not to exceed three years, with the district having the 17 option of extending or renewing the unit priced contract for one 18 additional year.

(d) Invitations for unit price bids shall include, for purposes 19 of the bid evaluation, estimated quantities of the anticipated types 20 21 of work or trades, and specify how the district will issue or release work assignments, work orders, or task authorizations pursuant to a 22 unit priced contract for projects, tasks, or other work based on the 23 24 hourly rates or unit prices bid by the contractor. Where electrical 25 facility construction or improvement work is anticipated, contractors 26 on a unit priced contract shall comply with the requirements under RCW 54.04.085 (1) through (5). Contracts must be awarded to the 27 lowest responsible bidder as per RCW 39.04.010. 28

29 (e) Unit price contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 30 31 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the prevailing wage rates in effect at the 32 beginning date for each contract year. Unit priced contracts must 33 have prevailing wage rates updated annually. Intents and affidavits 34 35 for prevailing wages paid must be submitted annually for all work 36 completed within the previous ((twelve-month)) <u>12-month</u> period of the unit priced contract. 37

38 Sec. 33. RCW 57.08.050 and 2019 c 434 s 10 are each amended to 39 read as follows:

1 (1) All work ordered, the estimated cost of which is in excess of ((fifty thousand dollars)) \$50,000, shall be let by contract and 2 competitive bidding. Before awarding any such contract the board of 3 commissioners shall publish a notice in a newspaper of general 4 circulation where the district is located at least once ((thirteen)) 5 6 13 days before the last date upon which bids will be received, inviting sealed proposals for such work, plans and specifications 7 which must at the time of publication of such notice be on file in 8 the office of the board of commissioners subject to the public 9 inspection. The notice shall state generally the work to be done and 10 11 shall call for proposals for doing the same to be sealed and filed 12 with the board of commissioners on or before the day and hour named therein. 13

14 Each bid shall be accompanied by a certified or cashier's check or postal money order payable to the order of the county treasurer 15 16 for a sum not less than five percent of the amount of the bid, or 17 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, 18 19 conditioned that the bidder will pay the district as liquidated damages the amount specified in the bond, unless the bidder enters 20 21 into a contract in accordance with the bidder's bid, and no bid shall 22 be considered unless accompanied by such check, cash or bid bond. At 23 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 24 25 may let such contract to the lowest responsible bidder upon plans and 26 specifications on file or to the best bidder submitting the bidder's own plans and specifications. The board of commissioners may reject 27 28 all bids for good cause and readvertise and in such case all checks, cash or bid bonds shall be returned to the bidders. If the contract 29 is let, then all checks, cash, or bid bonds shall be returned to the 30 31 bidders, except that of the successful bidder, which shall be 32 retained until a contract shall be entered into for doing the work, and a bond to perform such work furnished with sureties satisfactory 33 to the board of commissioners in the full amount of the contract 34 price between the bidder and the commission in accordance with the 35 bid. If the bidder fails to enter into the contract in accordance 36 with the bid and furnish the bond within ((ten)) <u>10</u> days from the 37 date at which the bidder is notified that the bidder is the 38 39 successful bidder, the check, cash, or bid bonds and the amount 40 thereof shall be forfeited to the district. If the bidder fails to

enter into a contract in accordance with the bidder's bid, and the 1 board of commissioners deems it necessary to take legal action to 2 collect on any bid bond required by this section, then the district 3 shall be entitled to collect from the bidder any legal expenses, 4 including reasonable attorneys' fees occasioned thereby. A low bidder 5 6 who claims error and fails to enter into a contract is prohibited 7 from bidding on the same project if a second or subsequent call for bids is made for the project. 8

9 (2) As an alternative to requirements under subsection (1) of 10 this section, a water-sewer district may let contracts using the 11 small works roster process under ((<del>RCW 39.04.155</del>)) <u>sections 14</u> 12 <u>through 16 of this act</u>.

(3) Any purchase of materials, supplies, or equipment, with an 13 estimated cost in excess of ((forty thousand dollars)) \$40,000, shall 14 be by contract. Any purchase of materials, supplies, or equipment, 15 16 with an estimated cost of less than ((fifty thousand dollars)) 17 \$50,000 shall be made using the process provided in RCW 39.04.190. Any purchase of materials, supplies, or equipment with an estimated 18 cost of ((fifty thousand dollars)) \$50,000 or more shall be made by 19 competitive bidding following the procedure for letting contracts for 20 21 projects under subsection (1) of this section.

22 (4) As an alternative to requirements under subsection (3) of this section, a water-sewer district may let contracts for purchase 23 of materials, supplies, or equipment with the suppliers designated on 24 25 current state agency, county, city, or town purchasing rosters for 26 the materials, supplies, or equipment, when the roster has been established in accordance with the competitive bidding law for 27 purchases applicable to the state agency, county, city, or town. The 28 price and terms for purchases shall be as described on the applicable 29 30 roster.

(5) The board 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.

34 (6)(a) A district may procure public works with a unit priced 35 contract under this section for the purpose of completing anticipated 36 types of work based on hourly rates or unit pricing for one or more 37 categories of work or trades.

38 (b) For the purposes of this section, "unit priced contract" 39 means a competitively bid contract in which public works are 40 anticipated on a recurring basis to meet the business or operational

1 needs of the district, under which the contractor agrees to a fixed 2 period indefinite quantity delivery of work, at a defined unit price 3 for each category of work.

4 (c) Unit priced contracts must be executed for an initial 5 contract term not to exceed one year, with the district having the 6 option of extending or renewing the unit priced contract for one 7 additional year.

(d) Invitations for unit price bids must include, for purposes of 8 the bid evaluation, estimated quantities of the anticipated types of 9 work or trades, and specify how the district will issue or release 10 work assignments, work orders, or task authorizations pursuant to a 11 12 unit priced contract for projects, tasks, or other work based on the hourly rates or unit prices bid by the contractor. Contracts must be 13 14 awarded to the lowest responsible bidder as per RCW 39.04.010. Whenever possible, the district must invite at least one proposal 15 16 from a certified minority or woman contractor who otherwise qualifies 17 under this section.

(e) Unit price contractors shall pay prevailing wages for all 18 work that would otherwise be subject to the requirements of chapter 19 39.12 RCW. Prevailing wages for all work performed pursuant to each 20 work order must be the prevailing wage rates in effect at the 21 beginning date for each contract year. Unit priced contracts must 22 have prevailing wage rates updated annually. Intents and affidavits 23 for prevailing wages paid must be submitted annually for all work 24 25 completed within the previous twelve-month period of the unit priced 26 contract.

27 Sec. 34. RCW 70.44.140 and 2016 c 51 s 1 are each amended to 28 read as follows:

(1) All materials purchased and work ordered, the estimated cost 29 30 of which is in excess of ((seventy-five thousand dollars)) \$75,000, 31 shall be by contract. Before awarding any such contract, the commission shall publish a notice at least ((thirteen)) 13 days 32 before the last date upon which bids will be received, inviting 33 sealed proposals for such work. The plans and specifications must at 34 35 the time of the publication of such notice be on file at the office of the public hospital district, subject to public inspection: 36 PROVIDED, HOWEVER, That the commission may at the same time, and as 37 38 part of the same notice, invite tenders for the work or materials upon plans and specifications to be submitted by bidders. The notice 39

1 shall state generally the work to be done, and shall call for proposals for doing the same, to be sealed and filed with the 2 3 commission on or before the day and hour named therein. Each bid shall be accompanied by bid proposal security in the form of a 4 certified check, cashier's check, postal money order, or surety bond 5 6 made payable to the order of the commission, for a sum not less than 7 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 8 place named, such bids shall be publicly opened and read, and the 9 commission shall proceed to canvass the bids, and may let such 10 11 contract to the lowest responsible bidder upon plans and 12 specifications on file, or to the best bidder submitting his or her own plans and specifications. If, in the opinion of the commission, 13 14 all bids are unsatisfactory, they may reject all of them and readvertise, and in such case all bid proposal security shall be 15 16 returned to the bidders. If the contract is let, then all bid 17 proposal security shall be returned to the bidders, except that of the successful bidder, which is retained until a contract shall be 18 entered into for the purchase of such materials for doing such work, 19 and a bond to perform such work furnished, with sureties satisfactory 20 21 to the commission, in an amount to be fixed by the commission, not 22 less than ((twenty-five)) 25 percent of contract price in any case, 23 between the bidder and commission, in accordance with the bid. If such bidder fails to enter into the contract in accordance with the 24 25 bid and furnish such bond within ((ten)) 10 days from the date at which the bidder is notified that he or she is the successful bidder, 26 the bid proposal security and the amount thereof shall be forfeited 27 to the public hospital district. A low bidder who claims error and 28 29 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 30 31 project.

32 (2) As an alternative to the requirements of subsection (1) of 33 this section, a public hospital district may let contracts using the 34 small works roster process under ((RCW 39.04.155)) sections 14 35 through 16 of this act.

(3) Any purchases with an estimated cost of up to ((fifteen
 thousand dollars)) \$15,000 may be made using the process provided in
 RCW 39.04.190.

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.

4 Sec. 35. RCW 87.03.436 and 2010 c 201 s 2 are each amended to 5 read as follows:

6 ((All)) (1) Until July 1, 2024, all contract projects, the 7 estimated cost of which is less than ((three hundred thousand 8 dollars)) the amount authorized, may be awarded using the small works 9 roster process under RCW 39.04.155.

10 (2) Beginning July 1, 2024, all contract projects, the estimated 11 cost of which is less than the amount authorized, may be awarded 12 using the small works roster process under sections 14 through 16 of 13 this act.

14 Sec. 36. RCW 43.131.408 and 2021 c 230 s 22 are each amended to read as follows: 15 The following acts or parts of acts, as now existing or hereafter 16 17 amended, are each repealed, effective June 30, 2032: (1) RCW 39.10.200 and 2023 c . . . s 4 (section 4 of this act), 18 2010 1st sp.s. c 21 s 2, 2007 c 494 s 1, & 1994 c 132 s 1; 19 (2) RCW 39.10.210 and 2023 c . . . s 5 (section 5 of this act), 20 2021 c 230 s 1, 2019 c 212 s 1, 2014 c 42 s 1, & 2013 c 222 s 1; 21 22 (3) RCW 39.10.220 and <u>2023 c . . . s 6 (section 6 of this act)</u> 23 2021 c 230 s 2, 2013 c 222 s 2, 2007 c 494 s 102, & 2005 c 377 s 1; (4) RCW 39.10.230 and 2023 c . . . s 7 (section 7 of this act), 24 2021 c 230 s 3, 2013 c 222 s 3, 2010 1st sp.s. c 21 s 3, 2009 c 75 s 25 1, 2007 c 494 s 103, & 2005 c 377 s 2; 26 (5) RCW 39.10.240 and 2023 c . . . s 8 (section 8 of this act), 27 2021 c 230 s 4, 2013 c 222 s 4, & 2007 c 494 s 104; 28 29 (6) RCW 39.10.250 and 2021 c 230 s 5, 2019 c 212 s 2, 2013 c 222 s 5, 2009 c 75 s 2, & 2007 c 494 s 105; 30 (7) RCW 39.10.260 and 2013 c 222 s 6 & 2007 c 494 s 106; 31 (8) RCW 39.10.270 and 2019 c 212 s 3, 2017 c 211 s 1, 2013 c 222 32 33 s 7, 2009 c 75 s 3, & 2007 c 494 s 107; 34 (9) RCW 39.10.280 and 2014 c 42 s 2, 2013 c 222 s 8, & 2007 c 494 35 s 108; (10) RCW 39.10.290 and 2007 c 494 s 109; 36 (11) RCW 39.10.300 and 2021 c 230 s 6, 2019 c 212 s 4, 2013 c 222 37 s 9, 2009 c 75 s 4, & 2007 c 494 s 201; 38

(12) RCW 39.10.320 and 2019 c 212 s 5, 2013 c 222 s 10, 2007 c 1 2 494 s 203, & 1994 c 132 s 7; (13) RCW 39.10.330 and 2023 c . . . s 9 (section 9 of this act), 3 2021 c 230 s 7, 2019 c 212 s 6, 2014 c 19 s 1, 2013 c 222 s 11, 2009 4 c 75 s 5, & 2007 c 494 s 204; 5 6 (14) RCW 39.10.340 and 2014 c 42 s 3, 2013 c 222 s 12, & 2007 c 7 494 s 301; (15) RCW 39.10.350 and 2021 c 230 s 8, 2014 c 42 s 4, & 2007 c 8 9 494 s 302; 10 (16) RCW 39.10.360 and <u>2023 c . . s 10</u> (section 10 of this 11 <u>act)</u>, 2021 c 230 s 9, 2014 c 42 s 5, 2013 c 222 s 13, 2009 c 75 s 6, 12 & 2007 c 494 s 303; 13 (17) RCW 39.10.370 and 2021 c 230 s 10, 2014 c 42 s 6, & 2007 c 494 s 304; 14 15 (18) RCW 39.10.380 and <u>2023 c . . s 11 (section 11 of this</u> <u>act)</u>, 2021 c 230 s 11, 2013 c 222 s 14, & 2007 c 494 s 305; 16 (19) RCW 39.10.385 and 2023 c . . . s 12 (section 12 of this 17 act), 2021 c 230 s 12, 2013 c 222 s 15, & 2010 c 163 s 1; 18 19 (20) RCW 39.10.390 and 2021 c 230 s 13, 2014 c 42 s 7, 2013 c 222 s 16, & 2007 c 494 s 306; 20 21 (21) RCW 39.10.400 and 2021 c 230 s 14, 2013 c 222 s 17, & 2007 c 22 494 s 307; 23 (22) RCW 39.10.410 and 2007 c 494 s 308; 24 (23) RCW 39.10.420 and 2019 c 212 s 7, 2017 c 136 s 1, & 2016 c 25 52 s 1; 26 (24) RCW 39.10.430 and 2021 c 230 s 15, 2019 c 212 s 8, & 2007 c 27 494 s 402; (25) RCW 39.10.440 and 2021 c 230 s 16, 2019 c 212 s 9, 2015 c 28 173 s 1, 2013 c 222 s 19, & 2007 c 494 s 403; 29 30 (26) RCW 39.10.450 and 2019 c 212 s 10, 2012 c 102 s 2, & 2007 c 31 494 s 404; 32 (27) RCW 39.10.460 and 2021 c 230 s 17, 2012 c 102 s 3, & 2007 c 33 494 s 405; (28) RCW 39.10.470 and 2019 c 212 s 11, 2014 c 19 s 2, 2005 c 274 34 35 s 275, & 1994 c 132 s 10; 36 (29) RCW 39.10.480 and 1994 c 132 s 9; 37 (30) RCW 39.10.490 and 2021 c 230 s 18, 2013 c 222 s 20, 2007 c 494 s 501, & 2001 c 328 s 5; 38 39 (31) RCW 39.10.900 and 1994 c 132 s 13; 40 (32) RCW 39.10.901 and 1994 c 132 s 14;

1	(33)	CW 39.10.903 and 2007 c 494 s 510;	
2	(34)	CW 39.10.904 and 2007 c 494 s 512;	
3	(35)	CW 39.10.905 and 2007 c 494 s 513; and	
4	(36)	.CW 39.10.908 and <u>2023 c s 13 (section 13 of this act</u>	_)
5	<u>and</u> 2021	230 s 19.	

6 <u>NEW SECTION.</u> Sec. 37. The following acts or parts of acts are 7 each repealed:

8 (1) RCW 39.04.155 (Small works roster contract procedures—Limited 9 public works process—Definitions) and 2019 c 434 s 5, 2015 c 225 s 10 33, 2009 c 74 s 1, & 2008 c 130 s 17; and

11 (2) RCW 39.04.156 (Small works roster manual—Notification to 12 local governments) and 2000 c 138 s 104.

13 <u>NEW SECTION.</u> Sec. 38. Sections 14 through 16 of this act are 14 each added to chapter 39.04 RCW.

15 <u>NEW SECTION.</u> Sec. 39. Sections 1 through 30, 32 through 34, 36, 16 and 37 of this act take effect July 1, 2024.

NEW SECTION. Sec. 40. Sections 31 and 35 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2023.

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