

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5110

Chapter 45, Laws of 1993

53rd Legislature
1993 Regular Session

WATER AND SEWER DISTRICTS--REVISED BILLING
AND BIDDING PROVISIONS

EFFECTIVE DATE: 7/25/93

Passed by the Senate March 9, 1993
YEAS 42 NAYS 3

R. LORRAINE WOJAHN

President of the Senate

Passed by the House April 7, 1993
YEAS 98 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved April 19, 1993

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5110** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

April 19, 1993 - 1:44 p.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5110

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Drew and Winsley)

Read first time 02/11/93.

1 AN ACT Relating to water and sewer districts; amending RCW
2 56.08.070 and 57.08.050; adding a new chapter to Title 56 RCW; and
3 adding a new chapter to Title 57 RCW.

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

5 NEW SECTION. **Sec. 1.** A sewer district may include along with,
6 or as part of its regular customer billings, a request for voluntary
7 contributions to assist qualified low-income residential customers of
8 the district in paying their sewer district bills. All funds received
9 by the district in response to such requests shall be transmitted to
10 the grantee of the department of community development which
11 administers federally funded energy assistance programs for the state
12 in the district's service area or to a charitable organization within
13 the district's service area. All such funds shall be used solely to
14 supplement assistance to low-income residential customers of the
15 district in paying their sewer district bills. The grantee or
16 charitable organization shall be responsible to determine which of the
17 district's customers are qualified for low-income assistance and the
18 amount of assistance to be provided to those who are qualified.

1 NEW SECTION. **Sec. 2.** All assistance provided under this
2 chapter shall be disbursed by the grantee or charitable organization.
3 Where possible the sewer district will be paid on behalf of the
4 customer by the grantee or the charitable organization. When direct
5 vendor payment is not feasible, a check will be issued jointly payable
6 to the customer and the sewer district. The availability of funds for
7 assistance to a district's low-income customers as a result of
8 voluntary contributions shall not reduce the amount of assistance for
9 which the district's customers are eligible under the federally funded
10 energy assistance programs administered by the grantee of the
11 department of community development within the district's service area.
12 The grantee or charitable organization shall provide the district with
13 a quarterly report on January 15th, April 15th, July 15th, and October
14 15th which includes information concerning the total amount of funds
15 received from the district, the names of all recipients of assistance
16 from these funds, the amount received by each recipient, and the amount
17 of funds received from the district currently on hand and available for
18 future low-income assistance.

19 NEW SECTION. **Sec. 3.** Contributions received under a program
20 implemented by a sewer district in compliance with this chapter shall
21 not be considered a commingling of funds.

22 **Sec. 4.** RCW 56.08.070 and 1989 c 105 s 1 are each amended to read
23 as follows:

24 (1) All materials purchased and work ordered, the estimated cost of
25 which is in excess of five thousand dollars shall be let by contract.
26 All contract projects, the estimated cost of which is less than fifty
27 thousand dollars, may be awarded to a contractor on the small works
28 roster. The small works roster shall be comprised of all responsible
29 contractors who have requested to be on the list. The board of sewer
30 commissioners may set up uniform procedures to prequalify contractors
31 for inclusion on the small works roster. The board of sewer
32 commissioners shall authorize by resolution a procedure for securing
33 telephone and/or written quotations from the contractors on the small
34 works roster to assure establishment of a competitive price and for
35 awarding contracts to the lowest responsible bidder. Such procedure
36 shall require that a good faith effort be made to request quotations
37 from all contractors on the small works roster. Immediately after an

1 award is made, the bid quotations obtained shall be recorded, open to
2 public inspection, and available by telephone inquiry. The small works
3 roster shall be revised once a year. All contract projects equal to or
4 in excess of fifty thousand dollars shall be let by competitive
5 bidding. Before awarding any competitive contract the board of sewer
6 commissioners shall cause a notice to be published in a newspaper in
7 general circulation where the district is located at least once, ten
8 days before the letting of such contract, inviting sealed proposals for
9 such work, plans and specifications which must at the time of
10 publication of such notice be on file in the office of the board of
11 sewer commissioners subject to public inspection. Such notice shall
12 state generally the work to be done and shall call for proposals for
13 doing the same to be sealed and filed with the board of sewer
14 commissioners on or before the day and hour named therein.

15 (2) Each bid shall be accompanied by a bid proposal deposit in the
16 form of a certified check, cashier's check, postal money order, or
17 surety bond payable to the order of the county treasurer for a sum not
18 less than five percent of the amount of the bid and no bid shall be
19 considered unless accompanied by such bid proposal deposit. At the
20 time and place named such bids shall be publicly opened and read and
21 the board of sewer commissioners shall proceed to canvass the bids and
22 may let such contract to the lowest responsible bidder upon plans and
23 specifications: PROVIDED, That no contract shall be let in excess of
24 the cost of ~~((said))~~ the materials or work(~~(, or if in the opinion~~
25 ~~of)).~~ The board of sewer commissioners ~~((all bids are unsatisfactory~~
26 ~~they))~~ may reject all ~~((of them))~~ bids for good cause and readvertise
27 and in such case all checks, cash or bid bonds shall be returned to the
28 bidders. If such contract be let, then all checks, cash or bid bonds
29 shall be returned to the bidders, except that of the successful bidder,
30 which shall be retained until a contract shall be entered into for the
31 purchase of such materials or doing such work, and a bond to perform
32 such work furnished with sureties satisfactory to the board of sewer
33 commissioners in the full amount of the contract price between the
34 bidder and the commission in accordance with bid. If ~~((said))~~ the
35 bidder fails to enter into ~~((said))~~ the contract in accordance with
36 ~~((said))~~ the bid and furnish such bond within ten days from the date at
37 which he or she is notified that he or she is the successful bidder,
38 the ~~((said))~~ check, cash or bid bonds and the amount thereof shall be
39 forfeited to the sewer district.

1 (3) In the event of an emergency when the public interest or
2 property of the sewer district would suffer material injury or damage
3 by delay, upon resolution of the board of sewer commissioners, or
4 proclamation of an official designated by the board to act for the
5 board during such emergencies, declaring the existence of such
6 emergency and reciting the facts constituting the same, the board, or
7 the official acting for the board, may waive the requirements of this
8 chapter with reference to any purchase or contract. In addition, these
9 requirements may be waived for purchases which are clearly and
10 legitimately limited to a single source of supply and purchases
11 involving special facilities, services, or market conditions, in which
12 instances the purchase price may be best established by direct
13 negotiation.

14 NEW SECTION. **Sec. 5.** A water district may include along with,
15 or as part of its regular customer billings, a request for voluntary
16 contributions to assist qualified low-income residential customers of
17 the district in paying their water district bills. All funds received
18 by the district in response to such requests shall be transmitted to
19 the grantee of the department of community development which
20 administers federally funded energy assistance programs for the state
21 in the district's service area or to a charitable organization within
22 the district's service area. All such funds shall be used solely to
23 supplement assistance to low-income residential customers of the
24 district in paying their water district bills. The grantee or
25 charitable organization shall be responsible to determine which of the
26 district's customers are qualified for low-income assistance and the
27 amount of assistance to be provided to those who are qualified.

28 NEW SECTION. **Sec. 6.** All assistance provided under this
29 chapter shall be disbursed by the grantee or charitable organization.
30 Where possible the water district will be paid on behalf of the
31 customer by the grantee or the charitable organization. When direct
32 vendor payment is not feasible, a check will be issued jointly payable
33 to the customer and the water district. The availability of funds for
34 assistance to a district's low-income customers as a result of
35 voluntary contributions shall not reduce the amount of assistance for
36 which the district's customers are eligible under the federally funded
37 energy assistance programs administered by the grantee of the

1 department of community development within the district's service area.
2 The grantee or charitable organization shall provide the district with
3 a quarterly report on January 15th, April 15th, July 15th, and October
4 15th which includes information concerning the total amount of funds
5 received from the district, the names of all recipients of assistance
6 from these funds, the amount received by each recipient, and the amount
7 of funds received from the district currently on hand and available for
8 future low-income assistance.

9 NEW SECTION. **Sec. 7.** Contributions received under a program
10 implemented by a water district in compliance with this chapter shall
11 not be considered a commingling of funds.

12 **Sec. 8.** RCW 57.08.050 and 1989 c 105 s 2 are each amended to read
13 as follows:

14 (1) The board of water commissioners shall have authority to create
15 and fill such positions and fix salaries and bonds thereof as it may by
16 resolution provide.

17 (2) All materials purchased and work ordered, the estimated cost of
18 which is in excess of five thousand dollars shall be let by contract.
19 All contract projects, the estimated cost of which is less than fifty
20 thousand dollars, may be awarded to a contractor on the small works
21 roster. The small works roster shall be comprised of all responsible
22 contractors who have requested to be on the list. The board of water
23 commissioners may set up uniform procedures to prequalify contractors
24 for inclusion on the small works roster. The board of water
25 commissioners shall authorize by resolution a procedure for securing
26 telephone and/or written quotations from the contractors on the small
27 works roster to assure establishment of a competitive price and for
28 awarding contracts to the lowest responsible bidder. Such procedure
29 shall require that a good faith effort be made to request quotations
30 from all contractors on the small works roster. Immediately after an
31 award is made, the bid quotations obtained shall be recorded, open to
32 public inspection, and available by telephone inquiry. The small works
33 roster shall be revised once a year. All contract projects equal to or
34 in excess of fifty thousand dollars shall be let by competitive
35 bidding. Before awarding any such contract the board of water
36 commissioners shall cause a notice to be published in a newspaper in
37 general circulation where the district is located at least once ten

1 days before the letting of such contract, inviting sealed proposals for
2 such work, plans and specifications which must at the time of
3 publication of such notice be on file in the office of the board of
4 water commissioners subject to public inspection. Such notice shall
5 state generally the work to be done and shall call for proposals for
6 doing the same to be sealed and filed with the board of water
7 commissioners on or before the day and hour named therein.

8 (3) Each bid shall be accompanied by a certified or cashier's check
9 or postal money order payable to the order of the county treasurer for
10 a sum not less than five percent of the amount of the bid, or
11 accompanied by a bid bond in an amount not less than five percent of
12 the bid with a corporate surety licensed to do business in the state,
13 conditioned that the bidder will pay the district as liquidated damages
14 the amount specified in the bond, unless ~~((he))~~ the bidder enters into
15 a contract in accordance with his or her bid, and no bid shall be
16 considered unless accompanied by such check, cash or bid bond. At the
17 time and place named such bids shall be publicly opened and read and
18 the board of water commissioners shall proceed to canvass the bids and
19 may let such contract to the lowest responsible bidder upon plans and
20 specifications on file or to the best bidder submitting his or her own
21 plans and specifications: PROVIDED, That no contract shall be let in
22 excess of the cost of ~~((said))~~ the materials or work~~((, or if in the~~
23 ~~opinion of))~~. The board of water commissioners ~~((all bids are~~
24 ~~unsatisfactory they))~~ may reject all ~~((of them))~~ bids for good cause
25 and readvertise and in such case all checks, cash or bid bonds shall be
26 returned to the bidders. If such contract be let, then all checks,
27 cash or bid bonds shall be returned to the bidders, except that of the
28 successful bidder, which shall be retained until a contract shall be
29 entered into for the purchase of such materials or doing such work, and
30 a bond to perform such work furnished with sureties satisfactory to the
31 board of water commissioners in the full amount of the contract price
32 between the bidder and the commission in accordance with the bid. If
33 ~~((said))~~ the bidder fails to enter into ~~((said))~~ the contract in
34 accordance with ~~((said))~~ the bid and furnish such bond within ten days
35 from the date at which he or she is notified that he or she is the
36 successful bidder, the ~~((said))~~ check, cash or bid bonds and the amount
37 thereof shall be forfeited to the water district: PROVIDED, That if
38 the bidder fails to enter into a contract in accordance with ~~((his))~~
39 the bid, and the board of water commissioners deems it necessary to

1 take legal action to collect on any bid bond required herein, then the
2 water district shall be entitled to collect from (~~said~~) the bidder
3 any legal expenses, including reasonable attorneys' fees occasioned
4 thereby.

5 (4) In the event of an emergency when the public interest or
6 property of the water district would suffer material injury or damage
7 by delay, upon resolution of the board of water commissioners, or
8 proclamation of an official designated by the board to act for the
9 board during such emergencies, declaring the existence of such
10 emergency and reciting the facts constituting the same, the board, or
11 official acting for the board, may waive the requirements of this
12 chapter with reference to any purchase or contract. In addition, these
13 requirements may be waived for purchases which are clearly and
14 legitimately limited to a single source of supply and purchases
15 involving special facilities, services, or market conditions, in which
16 instances the purchase price may be best established by direct
17 negotiation.

18 NEW SECTION. **Sec. 9.** (1) Sections 1 through 3 of this act shall
19 constitute a new chapter in Title 56 RCW.

20 (2) Sections 5 through 7 of this act shall constitute a new chapter
21 in Title 57 RCW.

Passed the Senate March 9, 1993.

Passed the House April 7, 1993.

Approved by the Governor April 19, 1993.

Filed in Office of Secretary of State April 19, 1993.