

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5408

Chapter 10, Laws of 1995

54th Legislature
1995 First Special Session

SCHOOL BUS ACQUISITIONS

EFFECTIVE DATE: 8/22/95 - Except Section 1 which becomes effective 6/14/95; and Section 2 which becomes effective 9/1/95

Passed by the Senate May 2, 1995
YEAS 36 NAYS 5

JOEL PRITCHARD

President of the Senate

Passed by the House May 1, 1995
YEAS 83 NAYS 6

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved June 14, 1995

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 5408** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

June 14, 1995 - 10:19 a.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5408

AS AMENDED BY THE HOUSE

Passed Legislature - 1995 First Special Session

State of Washington

54th Legislature

1995 Regular Session

By Senate Committee on Education (originally sponsored by Senators McAuliffe, Johnson, Quigley and Long; by request of Office of Financial Management)

Read first time 03/01/95.

1 AN ACT Relating to school bus acquisitions; amending RCW
2 28A.160.200 and 28A.335.190; adding a new section to chapter 28A.160
3 RCW; creating a new section; providing an effective date; and declaring
4 an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 28A.160
7 RCW to read as follows:

8 (1) The superintendent of public instruction, in consultation with
9 the regional transportation coordinators of the educational service
10 districts, shall establish a minimum number of school bus categories
11 considering the capacity and type of vehicles required by school
12 districts in Washington. The superintendent, in consultation with the
13 regional transportation coordinators of the educational service
14 districts, shall establish competitive specifications for each category
15 of school bus. The categories shall be developed to produce minimum
16 long-range operating costs, including costs of equipment and all costs
17 in operating the vehicles. The categories, for purposes of comparative
18 studies, will be at a minimum the same as those in the beginning of the
19 1994-95 school year. The competitive specifications shall meet federal

1 motor vehicle safety standards, minimum state specifications as
2 established by rule by the superintendent, and supported options as
3 determined by the superintendent in consultation with the regional
4 transportation coordinators of the educational service districts.

5 (2) After establishing school bus categories and competitive
6 specifications, the superintendent of public instruction shall solicit
7 competitive price quotes from school bus dealers to be in effect for
8 one year and establish a list of the lowest competitive price quotes
9 obtained under this subsection.

10 (3) The superintendent shall base the level of reimbursement to
11 school districts and educational service districts for school buses on
12 the lowest quote in each category.

13 (4) Notwithstanding RCW 28A.335.190, school districts and
14 educational service districts may purchase at the quoted price directly
15 from the dealer who is providing the lowest competitive price quote on
16 the list established under subsection (2) of this section. School
17 districts and educational service districts may make their own
18 selections for school buses, but shall be reimbursed at the rates
19 determined under this section and RCW 28A.160.200. District-selected
20 options shall not be reimbursed by the state.

21 (5) This section does not prohibit school districts or educational
22 service districts from conducting their own competitive bid process.

23 (6) The superintendent of public instruction may adopt rules under
24 chapter 34.05 RCW to implement this section.

25 **Sec. 2.** RCW 28A.160.200 and 1990 c 33 s 146 are each amended to
26 read as follows:

27 ~~((The superintendent shall determine the vehicle acquisition~~
28 ~~allocation in the following manner:~~

29 ~~(1) By May 1st of each year, the superintendent shall develop~~
30 ~~preliminary categories of student transportation vehicles to ensure~~
31 ~~adequate student transportation fleets for districts. The~~
32 ~~superintendent shall take into consideration the types of vehicles~~
33 ~~purchased by individual school districts in the state. The categories~~
34 ~~shall include, but not be limited to, variables such as vehicle~~
35 ~~capacity, type of chassis, type of fuel, engine and body type, special~~
36 ~~equipment, and life of vehicle. The categories shall be developed in~~
37 ~~conjunction with the local districts and shall be applicable to the~~
38 ~~following school year. The categories shall be designed to produce~~

1 minimum long range operating costs, including costs of equipment and
2 all costs incurred in operating the vehicles. Each category
3 description shall include the estimated state-determined purchase
4 price, which shall be based on the actual costs of the vehicles
5 purchased for that comparable category in the state during the
6 preceding twelve months and the anticipated market price for the next
7 school fiscal year. By June 15th of each year, the superintendent
8 shall notify districts of the preliminary vehicle categories and state-
9 determined purchase price for the ensuing school year. By October 15th
10 of each year, the superintendent shall finalize the categories and the
11 associated state-determined purchase price and shall notify districts
12 of any changes. While it is the responsibility of each district to
13 select each student transportation vehicle to be purchased by the
14 district, each district shall be paid a sum based only on the amount of
15 the state-determined purchase price and inflation as recognized by the
16 reimbursement schedule established in this section as set by the
17 superintendent for the category of vehicle purchased.

18 (2)) (1) The superintendent shall develop a reimbursement schedule
19 to pay districts for the cost of student transportation vehicles
20 purchased after September 1, 1982. While it is the responsibility of
21 each district to select and pay for each student transportation vehicle
22 purchased by the district, each district shall be paid a sum based on
23 the category of vehicle, anticipated lifetime of vehicles of this
24 category, and state reimbursement rate for the category plus inflation
25 as recognized by the reimbursement schedule established in this section
26 as set by the superintendent. Categories and reimbursement rates of
27 vehicles shall be those established under section 1 of this act. The
28 accumulated value of the payments and the potential investment return
29 thereon shall be designed to be equal to the replacement ((value)) cost
30 of the vehicle less its salvage value at the end of its anticipated
31 lifetime. The superintendent shall revise at least annually the
32 reimbursement payments based on the current and anticipated future cost
33 of comparable categories of transportation equipment. Reimbursements
34 to school districts for approved transportation equipment shall be
35 placed in a separate ((vehiele)) transportation vehicle fund
36 established for each school district under RCW 28A.160.130. However,
37 educational service districts providing student transportation services
38 pursuant to RCW 28A.310.180(4) and receiving moneys generated pursuant
39 to this section shall establish and maintain a separate ((vehiele))

1 transportation vehicle account in the educational service district's
2 general expense fund for the purposes and subject to the conditions
3 under RCW 28A.160.130 and 28A.320.300.

4 ~~((+3))~~ (2) To the extent possible, districts shall operate
5 vehicles acquired under this section not less than the number of years
6 or useful lifetime now, or hereafter, assigned to the ~~((class))~~
7 category of vehicles by the superintendent. School districts shall
8 properly maintain the transportation equipment acquired under the
9 provisions of this section, in accordance with rules established by the
10 office of the superintendent of public instruction. If a district
11 fails to follow generally accepted standards of maintenance and
12 operation, the superintendent of public instruction shall penalize the
13 district by deducting from future reimbursements under this section an
14 amount equal to the original cost of the vehicle multiplied by the
15 fraction of the useful lifetime or miles the vehicle failed to operate.

16 ~~((+4))~~ (3) The superintendent shall annually develop a
17 depreciation schedule to recognize the cost of depreciation to
18 districts contracting with private carriers for student transportation.
19 Payments on this schedule shall be a straight line depreciation based
20 on the original cost of the appropriate category of vehicle.

21 **Sec. 3.** RCW 28A.335.190 and 1994 c 212 s 1 are each amended to
22 read as follows:

23 (1) When, in the opinion of the board of directors of any school
24 district, the cost of any furniture, supplies, equipment, building,
25 improvements, or repairs, or other work or purchases, except books,
26 will equal or exceed the sum of fifty thousand dollars, complete plans
27 and specifications for such work or purchases shall be prepared and
28 notice by publication given in at least one newspaper of general
29 circulation within the district, once each week for two consecutive
30 weeks, of the intention to receive bids therefor and that
31 specifications and other information may be examined at the office of
32 the board or any other officially designated location: PROVIDED, That
33 the board without giving such notice may make improvements or repairs
34 to the property of the district through the shop and repair department
35 of such district when the total of such improvements or repair does not
36 exceed the sum of (a) fifteen thousand dollars, for districts with
37 fifteen thousand five hundred or more full-time equivalent students; or
38 (b) for districts with fewer than fifteen thousand five hundred full-

1 time equivalent students, fifteen thousand dollars if more than one
2 craft or trade is involved with the school district improvement or
3 repair, or ten thousand dollars if a single craft or trade is involved
4 with the school district improvement or repair. The cost of any public
5 work, improvement or repair for the purposes of this section shall be
6 the aggregate of all amounts to be paid for labor, material, and
7 equipment on one continuous or interrelated project where work is to be
8 performed simultaneously or in close sequence. The bids shall be in
9 writing and shall be opened and read in public on the date and in the
10 place named in the notice and after being opened shall be filed for
11 public inspection.

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

23 (3) Every building, improvement, repair or other public works
24 project, the cost of which is estimated to be in excess of (a) fifteen
25 thousand dollars, for districts with fifteen thousand five hundred or
26 more full-time equivalent students; or (b) for districts with fewer
27 than fifteen thousand five hundred full-time equivalent students,
28 fifteen thousand dollars if more than one craft or trade is involved
29 with the school district improvement or repair, or ten thousand dollars
30 if a single craft or trade is involved with the school district
31 improvement or repair, shall be on a competitive bid process. All such
32 projects estimated to be less than fifty thousand dollars may be
33 awarded to a contractor on the small works roster. The small works
34 roster shall be comprised of all responsible contractors who have
35 requested to be on the list. The board of directors shall establish a
36 procedure for securing telephone and/or written quotations from the
37 contractors on the small works roster to assure establishment of a
38 competitive price and for awarding contracts to the lowest responsible
39 bidder. Such procedure shall require that a good faith effort be made

1 to request quotations from all contractors on the small works roster
2 who have indicated the capability of performing the kind of public
3 works being contracted. Immediately after an award is made, the bid
4 quotations obtained shall be recorded, open to public inspection, and
5 available by telephone inquiry. The small works roster shall be
6 revised at least once each year by publishing notice of such
7 opportunity in at least one newspaper of general circulation in the
8 district. Responsible contractors shall be added to the list at any
9 time they submit a written request. Whenever the estimated cost of a
10 public works project is fifty thousand dollars or more, the public
11 bidding process provided in subsection (1) of this section shall be
12 followed.

13 (4) The contract for the work or purchase shall be awarded to the
14 lowest responsible bidder as defined in RCW 43.19.1911 but the board
15 may by resolution reject any and all bids and make further calls for
16 bids in the same manner as the original call. On any work or purchase
17 the board shall provide bidding information to any qualified bidder or
18 the bidder's agent, requesting it in person.

19 (5) In the event of any emergency when the public interest or
20 property of the district would suffer material injury or damage by
21 delay, upon resolution of the board declaring the existence of such an
22 emergency and reciting the facts constituting the same, the board may
23 waive the requirements of this section with reference to any purchase
24 or contract: PROVIDED, That an "emergency", for the purposes of this
25 section, means a condition likely to result in immediate physical
26 injury to persons or to property of the school district in the absence
27 of prompt remedial action.

28 (6) This section does not apply to the direct purchase of school
29 buses by school districts and educational services in accordance with
30 section 1 of this act.

31 NEW SECTION. Sec. 4. (1) By December 15, 1996, the superintendent
32 of public instruction, in consultation with the legislative budget
33 committee, shall prepare a report comparing:

34 (a) The reimbursement schedule in effect for the 1994-95 school
35 year with the reimbursement schedule adopted for the 1995-96 school
36 year;

37 (b) The expected state savings from using the 1995-96 schedule; and

1 (c) The price quotes received by the superintendent of public
2 instruction with the prices obtained by school districts and
3 educational service districts.

4 (2) The report shall be submitted to the fiscal committees of the
5 house of representatives and the senate.

6 NEW SECTION. **Sec. 5.** (1) Section 1 of this act is necessary for
7 the immediate preservation of the public peace, health, or safety, or
8 support of the state government and its existing public institutions,
9 and shall take effect immediately.

10 (2) Section 2 of this act shall take effect September 1, 1995.

Passed the Senate May 2, 1995.

Passed the House May 1, 1995.

Approved by the Governor June 14, 1995.

Filed in Office of Secretary of State June 14, 1995.