SENATE BILL 5222

State of Washington 56th Legislature 1999 Regular Session

By Senators Patterson and Winsley; by request of Alternative Public Works Methods Oversight Committee

Read first time 01/18/1999. Referred to Committee on State & Local Government.

1 AN ACT Relating to limited public works; and amending RCW 39.04.150 2 and 39.04.155.

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

4 **sec. 1.** RCW 39.04.150 and 1998 c 278 s 11 are each amended to read 5 as follows:

6 (1) As used in this section, "agency" means the department of 7 general administration, the department of fish and wildlife, the 8 department of natural resources, the department of transportation, and 9 the state parks and recreation commission.

(2) <u>An agency may use either the small works roster process as</u>
 <u>defined in subsection (3) of this section or the limited public works</u>
 <u>process as defined in subsection (4) of this section for work,</u>
 <u>construction, repair, alteration, or improvement projects.</u>

14 (3)(a) In addition to any other power or authority that an agency 15 may have, each agency, alone or in concert, may establish a small works 16 roster consisting of all qualified contractors who have requested to be 17 included on the roster.

18 (((3))) <u>(b)</u> The small works roster may make distinctions between 19 contractors based on the geographic areas served and the nature of the 1 work the contractor is qualified to perform. At least once every year,
2 the agency shall advertise in a newspaper of general circulation the
3 existence of the small works roster and shall add to the roster those
4 contractors who request to be included on the roster.

(((4))) (c) Construction, repair, or alteration projects estimated 5 to cost less than one hundred thousand dollars are exempt from the 6 7 requirement that the contracts be awarded after advertisement and 8 competitive bid as defined by RCW 39.04.010. In lieu of advertisement 9 and competitive bid, each agency alone or in concert shall establish a 10 procedure for securing $((telephone_{\tau}))$ electronic $((\tau))$ or written quotations from the contractors on the small works roster to assure 11 12 establishment of a competitive price and for awarding contracts to the lowest responsive and responsible bidder. This procedure shall require 13 either that the agency make a good faith effort to request quotations 14 15 from all contractors on the small works roster who have indicated the capability of performing the kind of public works being contracted or 16 17 that the agency solicit quotations from at least five contractors in a manner that will equitably distribute the opportunity among contractors 18 19 willing to perform in the geographic area of the work. The agency 20 shall invite at least one proposal from a certified minority or womenowned contractor, if available, who is otherwise qualified to perform 21 22 such work. Immediately after an award is made, the bid quotations 23 obtained shall be recorded, open to public inspection, and available by 24 ((telephone)) electronic inquiry.

(((5) The breaking down of any public work or improvement into units or accomplishing any public work or improvement by phases for the purpose of avoiding the minimum dollar amount for bidding is contrary to public policy and is prohibited.

29 (6))) (d) The director of general administration shall adopt by 30 rule a procedure to qualify contractors for inclusion on the small 31 works roster. Each agency shall follow the procedure adopted by the 32 director of general administration. No agency shall be required to 33 make available for public inspection or copying under chapter 42.17 RCW 34 financial information required to be provided by the qualification 35 procedure.

36 (((7))) <u>(e)</u> An agency may adopt by rule procedures to implement 37 this section which shall not be inconsistent with the procedures 38 adopted by the director of the department of general administration 39 pursuant to <u>(d) of this</u> subsection (((6) of this section)).

(4) Work, construction, alteration, repair, or improvement projects 1 2 estimated to cost less than thirty-five thousand dollars are limited 3 public works exempt from the small works roster process and from the 4 requirement that contracts be awarded after advertisement and competitive bid as provided in RCW 39.04.010. For limited public works 5 projects, the agency shall solicit electronic or written quotations б 7 from a minimum of three contractors including a certified minority or 8 certified woman-owned contractor, when practicable, and shall award the 9 work to the licensed or registered contractor with the lowest quotation, even if only one quotation is received, or reject all 10 guotations. After an award is made, the guotations shall be open to 11 public inspection and available by electronic request. An agency shall 12 attempt to equitably distribute opportunities for limited public works 13 14 projects among contractors willing to perform in the geographic area of the work. An agency shall maintain a list each biennium of the 15 contracts awarded under the limited public works process, including the 16 name of the contractor, the amount of the contract, a brief description 17 of the type of work performed, and the date it was awarded. For 18 19 limited public works projects, an agency may waive the payment and performance bond requirements of chapter 39.08 RCW and the retainage 20 requirements of chapter 60.28 RCW, thereby assuming the liability for 21 the contractor's nonpayment of laborers, mechanics, subcontractors, 22 materialmen, suppliers, and taxes imposed pursuant to Title 82 RCW that 23 24 may be due from the contractor for the limited public works project, however the agency shall have a right of recovery against the 25 26 contractor for any payments made on the contractor's behalf.

(5) The breaking down of any public work or improvement into units
 or accomplishing any public work or improvement by phases for the
 purpose of avoiding the minimum dollar amount for bidding is contrary
 to public policy and is prohibited.

31 **Sec. 2.** RCW 39.04.155 and 1998 c 278 s 12 are each amended to read 32 as follows:

(1) <u>A municipality may use either the small works roster process as</u>
 <u>defined in subsection (2) of this section or the limited public works</u>
 <u>process as defined in subsection (3) of this section for work,</u>
 <u>construction, repair, alteration, or improvement projects.</u>

37 (2)(a) This ((section)) subsection provides a uniform process to
 38 award contracts for public works projects by those municipalities that

1 are authorized to use a small works roster in lieu of the requirements 2 for formal sealed bidding. The state statutes governing a specific 3 type of municipality shall establish the maximum dollar thresholds of 4 the contracts that can be awarded under this process, and may include 5 other matters concerning the small works roster process, for the 6 municipality.

7 (((2))) (b) Such municipalities may create a single general small works roster, or may create a small works roster for different 8 9 categories of anticipated work. The small works roster or rosters 10 shall consist of all responsible contractors who have requested to be on the list, and where required by law are properly licensed or 11 registered to perform such work in this state. At least twice a year, 12 13 the municipality shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or 14 15 rosters and solicit the names of contractors for such roster or 16 rosters.

17 The governing body of the municipality shall establish a procedure for securing ((telephone)) electronic or written quotations from the 18 19 contractors on the general small works roster, or a specific small 20 works roster for the appropriate category of work, to assure that a competitive price is established and to award contracts to the lowest 21 responsible bidder, as defined in RCW 43.19.1911. Such invitations for 22 quotations shall include an estimate of the scope and nature of the 23 24 work to be performed as well as materials and equipment to be 25 furnished. However, detailed plans and specifications need not be 26 included in the invitation. This section does not eliminate other 27 requirements for architectural or engineering approvals as to quality and compliance with building codes. Whenever possible at least five 28 29 contractors shall be invited to submit bids. Once a contractor has 30 been afforded an opportunity to submit a proposal, that contractor 31 shall not be offered another opportunity until all other appropriate contractors on the small works roster have been afforded an opportunity 32 to submit a proposal on a contract. Proposals may be invited from all 33 34 appropriate contractors on the small works roster.

A contract awarded from a small works roster under this section heed not be advertised.

Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by ((telephone)) electronic inquiry.

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(3) Work, construction, alteration, repair, or improvement projects 1 estimated to cost less than thirty-five thousand dollars are limited 2 3 public works exempt from the small works roster process and from the 4 requirement that contracts be awarded after advertisement and competitive bid as provided in RCW 39.04.010. For limited public works 5 projects, the municipality shall solicit electronic or written 6 guotations from a minimum of three contractors including a certified 7 8 minority or certified woman-owned contractor, when practicable, and 9 shall award the work to the licensed or registered contractor with the lowest quotation, even if only one quotation is received, or reject all 10 guotations. After an award is made, the guotations shall be open to 11 12 public inspection and available by electronic request. A municipality shall attempt to equitably distribute opportunities for limited public 13 14 works projects among contractors willing to perform in the geographic area of the work. A municipality shall maintain a list each biennium 15 of the contracts awarded under the limited public works process, 16 including the name of the contractor, the amount of the contract, a 17 brief description of the type of work performed, and the date it was 18 19 awarded. For limited public works projects, a municipality may waive the payment and performance bond requirements of chapter 39.08 RCW and 20 the retainage requirements of chapter 60.28 RCW, thereby assuming the 21 liability for the contractor's nonpayment of laborers, mechanics, 22 subcontractors, materialmen, suppliers, and taxes imposed pursuant to 23 24 Title 82 RCW that may be due from the contractor for the limited public works project, however the agency shall have a right of recovery 25 against the contractor for any payments made on the contractor's 26 27 behalf.

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