HOUSE BILL 1045

State of Washington 58th Legislature 2003 Regular Session

By Representatives Miloscia, Chandler and Upthegrove

Read first time 01/14/2003. Referred to Committee on Local Government.

1 AN ACT Relating to water-sewer district bidding provisions; and 2 amending RCW 57.08.050.

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

4 **Sec. 1.** RCW 57.08.050 and 2000 c 138 s 212 are each amended to 5 read as follows:

(1) All work ordered, the estimated cost of which is in excess of 6 7 five thousand dollars, shall be let by contract and competitive bidding. Before awarding any such contract the board of commissioners 8 9 shall publish a notice in a newspaper of general circulation where the 10 district is located at least once thirteen days before the last date upon which bids will be received, inviting sealed proposals for such 11 12 work, plans and specifications which must at the time of publication of 13 such notice be on file in the office of the board of commissioners subject to the public inspection. The notice shall state generally the 14 15 work to be done and shall call for proposals for doing the same to be 16 sealed and filed with the board of commissioners on or before the day and hour named therein. 17

Each bid shall be accompanied by a certified or cashier's check or 1 2 postal money order payable to the order of the county treasurer for a sum not less than five percent of the amount of the bid, or accompanied 3 by a bid bond in an amount not less than five percent of the bid with 4 5 a corporate surety licensed to do business in the state, conditioned that the bidder will pay the district as liquidated damages the amount б 7 specified in the bond, unless the bidder enters into a contract in accordance with the bidder's bid, and no bid shall be considered unless 8 accompanied by such check, cash or bid bond. At the time and place 9 named such bids shall be publicly opened and read and the board of 10 commissioners shall proceed to canvass the bids and may let such 11 contract to the lowest responsible bidder upon plans and specifications 12 on file or to the best bidder submitting the bidder's own plans and 13 specifications. The board of commissioners may reject all bids for 14 good cause and readvertise and in such case all checks, cash or bid 15 bonds shall be returned to the bidders. If the contract is let, then 16 17 all checks, cash, or bid bonds shall be returned to the bidders, except that of the successful bidder, which shall be retained until a contract 18 shall be entered into for doing the work, and a bond to perform such 19 work furnished with sureties satisfactory to the board of commissioners 20 21 in the full amount of the contract price between the bidder and the 22 commission in accordance with the bid. If the bidder fails to enter into the contract in accordance with the bid and furnish the bond 23 within ten days from the date at which the bidder is notified that the 24 25 bidder is the successful bidder, the check, cash, or bid bonds and the amount thereof shall be forfeited to the district. If the bidder fails 26 27 to enter into a contract in accordance with the bidder's bid, and the board of commissioners deems it necessary to take legal action to 28 collect on any bid bond required by this section, then the district 29 shall be entitled to collect from the bidder any legal expenses, 30 31 including reasonable attorneys' fees occasioned thereby. A low bidder 32 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 33 made for the project. 34

35 (2) As an alternative to requirements under subsection (1) of this
36 section, a water-sewer district may let contracts using the small works
37 roster process under RCW 39.04.155.

p. 2

(3) Any purchase of materials, supplies, or equipment, with an 1 2 estimated cost in excess of ten thousand dollars, shall be by contract. Any purchase of materials, supplies, or equipment, with an estimated 3 cost of less than fifty thousand dollars shall be made using the 4 process provided in RCW 39.04.190. Any purchase of materials, 5 supplies, or equipment with an estimated cost of fifty thousand dollars 6 7 or more shall be made by competitive bidding following the procedure for letting contracts for projects under subsection (1) of this 8 section. 9

(4) As an alternative to requirements under subsection (3) of this 10 section, a water-sewer district may let contracts for purchase of 11 materials, supplies, or equipment with the suppliers designated on 12 13 current state agency, county, city, or town purchasing rosters for the materials, supplies, or equipment, when the roster has been established 14 in accordance with the competitive bidding law for purchases applicable 15 to the state agency, county, city, or town. The price and terms for 16 purchases shall be as described on the applicable roster. 17

18 (5) The board may waive the competitive bidding requirements of 19 this section pursuant to RCW 39.04.280 if an exemption contained within 20 that section applies to the purchase or public work.

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