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## SENATE BILL 6476

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State of Washington

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63rd Legislature

2014 Regular Session

By Senators Chase and Kline

Read first time 01/28/14. Referred to Committee on Governmental Operations.

- AN ACT Relating to increasing the dollar limits for small works roster projects; and amending RCW 39.04.155.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 39.04.155 and 2009 c 74 s 1 are each amended to read 5 as follows:
  - (1) This section provides uniform small works roster provisions to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property that may be used by state agencies and by any local government that is expressly authorized to use these provisions. These provisions may be used in lieu of other procedures to award contracts for such work with an estimated cost of ((three)) five hundred thousand dollars or less. The small works roster process includes the limited public works process authorized under subsection (3) of this section and any local government authorized to award contracts using the small works roster process under this section may award contracts using the limited public works process under subsection (3) of this section.
  - (2)(a) A state agency or authorized local government may create a single general small works roster, or may create a small works roster

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for different specialties or categories of anticipated work. 1 Where 2 applicable, small works rosters may make distinctions between 3 contractors based upon different geographic areas served by the 4 contractor. The small works roster or rosters shall consist of all responsible contractors who have requested to be on the list, and where 5 6 required by law are properly licensed or registered to perform such 7 work in this state. A state agency or local government establishing a 8 small works roster or rosters may require eligible contractors desiring 9 to be placed on a roster or rosters to keep current records of any 10 applicable licenses, certifications, registrations, bonding, insurance, 11 or other appropriate matters on file with the state agency or local 12 government as a condition of being placed on a roster or rosters. 13 least once a year, the state agency or local government shall publish in a newspaper of general circulation within the jurisdiction a notice 14 15 of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. In addition, responsible 16 contractors shall be added to an appropriate roster or rosters at any 17 time they submit a written request and necessary records. 18 19 contracts may be required to be signed that become effective when a 20 specific award is made using a small works roster.

(b) A state agency establishing a small works roster or rosters shall adopt rules implementing this subsection. A local government establishing a small works roster or rosters shall adopt an ordinance or resolution implementing this subsection. Procedures included in rules adopted by the department of ((general administration)) enterprise services in implementing this subsection must be included in any rules providing for a small works roster or rosters that is adopted by another state agency, if the authority for that state agency to engage in these activities has been delegated to it by the department of ((general administration)) enterprise services under chapter 43.19 RCW. An interlocal contract or agreement between two or more state agencies or local governments establishing a small works roster or rosters to be used by the parties to the agreement or contract must clearly identify the lead entity that is responsible for implementing the provisions of this subsection.

(c) Procedures shall be established for securing telephone, written, or electronic quotations from contractors on the appropriate small works roster to assure that a competitive price is established

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and to award contracts to the lowest responsible bidder, as defined in 1 2 RCW 39.04.010. Invitations for quotations shall include an estimate of 3 the scope and nature of the work to be performed as well as materials 4 equipment to be furnished. However, detailed plans specifications need not be included in the invitation. This subsection 5 does not eliminate other requirements for architectural or engineering 6 7 approvals as to quality and compliance with building codes. Quotations 8 may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from 9 10 at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being 11 12 contracted, in a manner that will equitably distribute the opportunity 13 among the contractors on the appropriate roster. However, if the estimated cost of the work is from ((one)) two hundred fifty thousand 14 dollars to ((three)) five hundred thousand dollars, a state agency or 15 local government that chooses to solicit bids from less than all the 16 appropriate contractors on the appropriate small works roster must also 17 18 notify the remaining contractors on the appropriate small works roster 19 that quotations on the work are being sought. The government has the sole option of determining whether this notice to the remaining 20 21 contractors is made by: (i) Publishing notice in a legal newspaper in 22 general circulation in the area where the work is to be done; (ii) 23 mailing a notice to these contractors; or (iii) sending a notice to 24 these contractors by facsimile or other electronic means. For purposes of this subsection (2)(c), "equitably distribute" means that a state 25 26 agency or local government soliciting bids may not favor certain 27 contractors on the appropriate small works roster over 28 contractors on the appropriate small works roster who perform similar 29 services.

30 (d) A contract awarded from a small works roster under this section 31 need not be advertised.

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- (e) Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.
- (3) In lieu of awarding contracts under subsection (2) of this section, a state agency or authorized local government may award a contract for work, construction, alteration, repair, or improvement projects estimated to cost less than thirty-five thousand dollars using

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the limited public works process provided under this subsection. Public works projects awarded under this subsection are exempt from the other requirements of the small works roster process provided under subsection (2) of this section and are exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010.

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For limited public works projects, a state agency or authorized 7 8 local government shall solicit electronic or written quotations from a 9 minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder as 10 11 defined under RCW 39.04.010. After an award is made, the quotations 12 shall be open to public inspection and available by electronic request. 13 A state agency or authorized local government shall attempt to distribute opportunities for limited public works projects equitably 14 15 among contractors willing to perform in the geographic area of the work. A state agency or authorized local government shall maintain a 16 17 list of the contractors contacted and the contracts awarded during the previous twenty-four months under the limited public works process, 18 19 including the name of the contractor, the contractor's registration 20 number, the amount of the contract, a brief description of the type of 21 work performed, and the date the contract was awarded. For limited 22 public works projects, a state agency or authorized local government 23 may waive the payment and performance bond requirements of chapter 24 39.08 RCW and the retainage requirements of chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, 25 26 mechanics, subcontractors, materialpersons, suppliers, and taxes 27 imposed under Title 82 RCW that may be due from the contractor for the limited public works project, however the state agency or authorized 28 29 local government shall have the right of recovery against the 30 contractor for any payments made on the contractor's behalf.

- (4) The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process or limited public works process.
- (5)(a) A state agency or authorized local government may use the limited public works process of subsection (3) of this section to solicit and award small works roster contracts to small businesses that

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are registered contractors with gross revenues under one million dollars annually as reported on their federal tax return.

- (b) A state agency or authorized local government may adopt additional procedures to encourage small businesses that are registered contractors with gross revenues under two hundred fifty thousand dollars annually as reported on their federal tax returns to submit quotations or bids on small works roster contracts.
- (6) As used in this section, "state agency" means the department of ((general administration)) enterprise services, the state parks and recreation commission, the department of natural resources, the department of fish and wildlife, the department of transportation, any institution of higher education as defined under RCW 28B.10.016, and any other state agency delegated authority by the department of ((general administration)) enterprise services to engage in construction, building, renovation, remodeling, alteration, improvement, or repair activities.

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