
HOUSE BILL 1592

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By Representatives Springer, Brumsickle, Dorn, Dunshee, Peery, H. Myers, Romero, Lemmon, Reams, Brough, Basich and Locke

Read first time 02/03/93. Referred to Committee on Local Government.

1 AN ACT Relating to bid limitations for cities and towns; and
2 amending RCW 35.23.352.

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

4 **Sec. 1.** RCW 35.23.352 and 1989 c 431 s 56 are each amended to read
5 as follows:

6 (1) Any second or third class city or any town may construct any
7 public works, as defined in RCW 39.04.010, by contract or day labor
8 without calling for bids therefor whenever the estimated cost of the
9 work or improvement, including cost of materials, supplies and
10 equipment will not exceed the sum of (~~thirty~~) sixty thousand dollars
11 if more than one craft or trade is involved with the public works, or
12 (~~twenty~~) forty thousand dollars if a single craft or trade is
13 involved with the public works or the public works project is street
14 signalization or street lighting. A public works project means a
15 complete project. The restrictions in this subsection do not permit
16 the division of the project into units of work or classes of work to
17 avoid the restriction on work that may be performed by day labor on a
18 single project.

1 Whenever the cost of the public work or improvement, including
2 materials, supplies and equipment, will exceed these figures, the same
3 shall be done by contract. All such contracts shall be let at public
4 bidding upon posting notice calling for sealed bids upon the work. The
5 notice thereof shall be posted in a public place in the city or town
6 and by publication in the official newspaper, or a newspaper of general
7 circulation most likely to bring responsive bids, once each week for
8 two consecutive weeks before the date fixed for opening the bids. The
9 notice shall generally state the nature of the work to be done that
10 plans and specifications therefor shall then be on file in the city or
11 town hall for public inspections, and require that bids be sealed and
12 filed with the council or commission within the time specified therein.
13 Each bid shall be accompanied by a bid proposal deposit in the form of
14 a cashier's check, postal money order, or surety bond to the council or
15 commission for a sum of not less than five percent of the amount of the
16 bid, and no bid shall be considered unless accompanied by such bid
17 proposal deposit. The council or commission of the city or town shall
18 let the contract to the lowest responsible bidder or shall have power
19 by resolution to reject any or all bids and to make further calls for
20 bids in the same manner as the original call.

21 When the contract is let then all bid proposal deposits shall be
22 returned to the bidders except that of the successful bidder which
23 shall be retained until a contract is entered into and a bond to
24 perform the work furnished, with surety satisfactory to the council or
25 commission, in the full amount of the contract price. If the bidder
26 fails to enter into the contract in accordance with his bid and furnish
27 a bond within ten days from the date at which he is notified that he is
28 the successful bidder, the check or postal money order and the amount
29 thereof shall be forfeited to the council or commission or the council
30 or commission shall recover the amount of the surety bond.

31 If no bid is received on the first call the council or commission
32 may readvertise and make a second call, or may enter into a contract
33 without any further call or may purchase the supplies, material or
34 equipment and perform the work or improvement by day labor.

35 The dollar limitations for the calling for bids in this subsection
36 shall be adjusted annually by the department of community development
37 using the United States department of commerce bureau of economic
38 analysis, "Implicit Price Deflator for Gross National Product" for
39 "Government Purchases of Goods and Services," for "State and Local

1 Government." The dollar limitations in this subsection, or as
2 subsequently adjusted by this section, shall be multiplied by a factor
3 equal to the most current quarterly "price deflator" available, divided
4 by the "price deflator" used in the numerator the previous year.

5 (2) The allocation of public works projects to be performed by city
6 or town employees shall not be subject to a collective bargaining
7 agreement.

8 (3) In lieu of the procedures of subsection (1) of this section, a
9 second or third class city or a town may use a small works roster and
10 award contracts under this subsection for contracts of one hundred
11 thousand dollars or less.

12 (a) The city or town may maintain a small works roster comprised of
13 all contractors who have requested to be on the roster and are, where
14 required by law, properly licensed or registered to perform such work
15 in this state.

16 (b) Whenever work is done by contract, the estimated cost of which
17 is one hundred thousand dollars or less, and the city uses the small
18 works roster, the city or town shall invite proposals from all
19 appropriate contractors on the small works roster: PROVIDED, That
20 whenever possible, the city or town shall invite at least one proposal
21 from a minority or woman contractor who shall otherwise qualify under
22 this section. The invitation shall include an estimate of the scope
23 and nature of the work to be performed, and materials and equipment to
24 be furnished.

25 (c) When awarding such a contract for work, the estimated cost of
26 which is one hundred thousand dollars or less, the city or town shall
27 award the contract to the contractor submitting the lowest responsible
28 bid.

29 (4) After September 1, 1987, each second class city, third class
30 city, and town shall use the form required by RCW 43.09.205 to account
31 and record costs of public works in excess of five thousand dollars
32 that are not let by contract.

33 (5) The cost of a separate public works project shall be the costs
34 of the materials, equipment, supplies, and labor on that construction
35 project.

36 (6) Any purchase of supplies, material, equipment or services other
37 than professional services, except for public work or improvement,
38 where the cost thereof exceeds seven thousand five hundred dollars
39 shall be made upon call for bids: PROVIDED, That the limitations

1 herein shall not apply to any purchases of materials at auctions
2 conducted by the government of the United States, any agency thereof or
3 by the state of Washington or a political subdivision thereof.

4 (7) Bids shall be called annually and at a time and in the manner
5 prescribed by ordinance for the publication in a newspaper published or
6 of general circulation in the city or town of all notices or newspaper
7 publications required by law. The contract shall be awarded to the
8 lowest responsible bidder.

9 (8) For advertisement and competitive bidding to be dispensed with
10 as to purchases between seven thousand five hundred and fifteen
11 thousand dollars, the city legislative authority must authorize by
12 resolution a procedure for securing telephone and/or written quotations
13 from enough vendors to assure establishment of a competitive price and
14 for awarding the contracts for purchase of materials, equipment, or
15 services to the lowest responsible bidder. Immediately after the award
16 is made, the bid quotations obtained shall be recorded and open to
17 public inspection and shall be available by telephone inquiry.

18 (9) These requirements for purchasing may be waived by resolution
19 of the city or town council which declared that the purchase is clearly
20 and legitimately limited to a single source or supply within the near
21 vicinity, or the materials, supplies, equipment, or services are
22 subject to special market conditions, and recites why this situation
23 exists. Such actions are subject to RCW 39.30.020.

24 (10) This section does not apply to performance-based contracts, as
25 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A
26 RCW.

27 (11) Nothing in this section shall prohibit any second or third
28 class city or any town from allowing for preferential purchase of
29 products made from recycled materials or products that may be recycled
30 or reused.

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