

2 SHB 2077 - S COMM AMD
3 By Committee on Government Operations

4 ADOPTED 3/6/98

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 39.04 RCW
8 to read as follows:

9 This section provides uniform exemptions to competitive bidding
10 procedures utilized by municipalities when awarding contracts for
11 public works and contracts for purchases. The statutes governing a
12 specific type of municipality may also include other exemptions from
13 competitive bidding procedures. The purpose of this section is to
14 supplement and not to limit the current powers of any municipality to
15 provide exemptions from competitive bidding procedures.

16 (1) Competitive bidding procedures may be waived by the governing
17 body of the municipality for:

18 (a) Purchases that are clearly and legitimately limited to a single
19 source of supply;

20 (b) Purchases involving special facilities or market conditions;

21 (c) Purchases in the event of an emergency;

22 (d) Purchases of insurance or bonds; and

23 (e) Public works in the event of an emergency.

24 (2)(a) The waiver of competitive bidding procedures under
25 subsection (1) of this section may be by resolution or by the terms of
26 written policies adopted by the municipality, at the option of the
27 governing body of the municipality. If the governing body elects to
28 waive competitive bidding procedures by the terms of written policies
29 adopted by the municipality, immediately after the award of any
30 contract, the contract and the factual basis for the exception must be
31 recorded and open to public inspection.

32 If a resolution is adopted by a governing body to waive competitive
33 bidding procedures under (b) of this subsection, the resolution must
34 recite the factual basis for the exception. This subsection (2)(a)
35 does not apply in the event of an emergency.

1 (b) If an emergency exists, the person or persons designated by the
2 governing body of the municipality to act in the event of an emergency
3 may declare an emergency situation exists, waive competitive bidding
4 requirements, and award all necessary contracts on behalf of the
5 municipality to address the emergency situation. If a contract is
6 awarded without competitive bidding due to an emergency, a written
7 finding of the existence of an emergency must be made by the governing
8 body or its designee and duly entered of record no later than two weeks
9 following the award of the contract.

10 (3) For purposes of this section:

11 (a) "Emergency" means unforeseen circumstances beyond the control
12 of the municipality that either: (i) Present a real, immediate threat
13 to the proper performance of essential functions; or (ii) will likely
14 result in material loss or damage to property, bodily injury, or loss
15 of life if immediate action is not taken.

16 (b) "Municipality" means any city, code city, town, county, port
17 district, fire district, public utility district, public hospital
18 district, or water-sewer district.

19 **Sec. 2.** RCW 35.22.620 and 1993 c 198 s 9 are each amended to read
20 as follows:

21 (1) As used in this section, the term "public works" means as
22 defined in RCW 39.04.010.

23 (2) A first class city may have public works performed by contract
24 pursuant to public notice and call for competitive bids. As limited by
25 subsection (3) of this section, a first class city may have public
26 works performed by city employees in any annual or biennial budget
27 period equal to a dollar value not exceeding ten percent of the public
28 works construction budget, including any amount in a supplemental
29 public works construction budget, over the budget period. The amount
30 of public works that a first class city has a county perform for it
31 under RCW 35.77.020 shall be included within this ten percent
32 limitation.

33 If a first class city has public works performed by public
34 employees in any budget period that are in excess of this ten percent
35 limitation, the amount in excess of the permitted amount shall be
36 reduced from the otherwise permitted amount of public works that may be
37 performed by public employees for that city in its next budget period.
38 Twenty percent of the motor vehicle fuel tax distributions to that city

1 shall be withheld if two years after the year in which the excess
2 amount of work occurred, the city has failed to so reduce the amount of
3 public works that it has performed by public employees. The amount so
4 withheld shall be distributed to the city when it has demonstrated in
5 its reports to the state auditor that the amount of public works it has
6 performed by public employees has been so reduced.

7 Whenever a first class city has had public works performed in any
8 budget period up to the maximum permitted amount for that budget
9 period, all remaining public works within that budget period shall be
10 done by contract pursuant to public notice and call for competitive
11 bids.

12 The state auditor shall report to the state treasurer any first
13 class city that exceeds this amount and the extent to which the city
14 has or has not reduced the amount of public works it has performed by
15 public employees in subsequent years.

16 (3) In addition to the percentage limitation provided in subsection
17 (2) of this section, a first class city with a population in excess of
18 one hundred fifty thousand shall not have public employees perform a
19 public works project in excess of fifty thousand dollars if more than
20 a single craft or trade is involved with the public works project, or
21 a public works project in excess of twenty-five thousand dollars if
22 only a single craft or trade is involved with the public works project
23 or the public works project is street signalization or street lighting.
24 In addition to the percentage limitation provided in subsection (2) of
25 this section, a first class city with a population of one hundred fifty
26 thousand or less shall not have public employees perform a public works
27 project in excess of thirty-five thousand dollars if more than one
28 craft or trade is involved with the public works project, or a public
29 works project in excess of twenty thousand dollars if only a single
30 craft or trade is involved with the public works project or the public
31 works project is street signalization or street lighting. A public
32 works project means a complete project. The restrictions in this
33 subsection do not permit the division of the project into units of work
34 or classes of work to avoid the restriction on work that may be
35 performed by day labor on a single project.

36 (4) In addition to the accounting and record-keeping requirements
37 contained in RCW 39.04.070, every first class city annually shall
38 prepare a report for the state auditor indicating the total public
39 works construction budget and supplemental public works construction

1 budget for that year, the total construction costs of public works
2 performed by public employees for that year, and the amount of public
3 works that is performed by public employees above or below ten percent
4 of the total construction budget. However, if a city budgets on a
5 biennial basis, this annual report shall indicate the amount of public
6 works that is performed by public employees within the current biennial
7 period that is above or below ten percent of the total biennial
8 construction budget.

9 After September 1, 1987, each first class city with a population of
10 one hundred fifty thousand or less shall use the form required by RCW
11 43.09.205 to account and record costs of public works in excess of five
12 thousand dollars that are not let by contract.

13 (5) The cost of a separate public works project shall be the costs
14 of materials, supplies, equipment, and labor on the construction of
15 that project. The value of the public works budget shall be the value
16 of all the separate public works projects within the budget.

17 ~~(6) ((When any emergency shall require the immediate execution of
18 such public work, upon the finding of the existence of such emergency
19 by the authority having power to direct such public work to be done and
20 duly entered of record, publication of description and estimate may be
21 made within seven days after the commencement of the work. Within two
22 weeks of the finding that such an emergency existed, the city council
23 shall adopt a resolution certifying the existence of this emergency
24 situation.)) The competitive bidding requirements of this section may
25 be waived by the city legislative authority pursuant to section 1 of
26 this act if an exemption contained within that section applies to the
27 work or contract.~~

28 (7) In lieu of the procedures of subsections (2) and (6) of this
29 section, a first class city may use ((a)) the small works roster
30 process ((and)) in RCW 39.04.155 to award contracts for public works
31 projects with an estimated value of one hundred thousand dollars or
32 less ((as provided in RCW 39.04.155)).

33 Whenever possible, the city shall invite at least one proposal from
34 a minority or woman contractor who shall otherwise qualify under this
35 section.

36 (8) The allocation of public works projects to be performed by city
37 employees shall not be subject to a collective bargaining agreement.

1 (9) This section does not apply to performance-based contracts, as
2 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A
3 RCW.

4 (10) Nothing in this section shall prohibit any first class city
5 from allowing for preferential purchase of products made from recycled
6 materials or products that may be recycled or reused.

7 **Sec. 3.** RCW 35.23.352 and 1996 c 18 s 2 are each amended to read
8 as follows:

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

21 Whenever the cost of the public work or improvement, including
22 materials, supplies and equipment, will exceed these figures, the same
23 shall be done by contract. All such contracts shall be let at public
24 bidding upon publication of notice calling for sealed bids upon the
25 work. The notice shall be published in the official newspaper, or a
26 newspaper of general circulation most likely to bring responsive bids,
27 at least thirteen days prior to the last date upon which bids will be
28 received. The notice shall generally state the nature of the work to
29 be done that plans and specifications therefor shall then be on file in
30 the city or town hall for public inspections, and require that bids be
31 sealed and filed with the council or commission within the time
32 specified therein. Each bid shall be accompanied by a bid proposal
33 deposit in the form of a cashier's check, postal money order, or surety
34 bond to the council or commission for a sum of not less than five
35 percent of the amount of the bid, and no bid shall be considered unless
36 accompanied by such bid proposal deposit. The council or commission of
37 the city or town shall let the contract to the lowest responsible

1 bidder or shall have power by resolution to reject any or all bids and
2 to make further calls for bids in the same manner as the original call.

3 When the contract is let then all bid proposal deposits shall be
4 returned to the bidders except that of the successful bidder which
5 shall be retained until a contract is entered into and a bond to
6 perform the work furnished, with surety satisfactory to the council or
7 commission, in accordance with RCW 39.08.030. If the bidder fails to
8 enter into the contract in accordance with his or her bid and furnish
9 a bond within ten days from the date at which he or she is notified
10 that he or she is the successful bidder, the check or postal money
11 order and the amount thereof shall be forfeited to the council or
12 commission or the council or commission shall recover the amount of the
13 surety bond. A low bidder who claims error and fails to enter into a
14 contract is prohibited from bidding on the same project if a second or
15 subsequent call for bids is made for the project.

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

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

23 (3) In lieu of the procedures of subsection (1) of this section, a
24 second class city or a town may use the small works roster process
25 provided in RCW 39.04.155 to award public works contracts with an
26 estimated value of one hundred thousand dollars or less.

27 Whenever possible, the city or town shall invite at least one
28 proposal from a minority or woman contractor who shall otherwise
29 qualify under this section.

30 (4) The form required by RCW 43.09.205 shall be to account and
31 record costs of public works in excess of five thousand dollars that
32 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, or equipment, except for
37 public work or improvement, where the cost thereof exceeds seven
38 thousand five hundred dollars shall be made upon call for bids.

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

6 (8) For advertisement and formal sealed bidding to be dispensed
7 with as to purchases between seven thousand five hundred and fifteen
8 thousand dollars, the council or commission must authorize by
9 resolution, use of the uniform procedure provided in RCW 39.04.190.

10 ~~((These requirements for purchasing may be waived by resolution
11 of the city or town council or commission which declared that the
12 purchase is clearly and legitimately limited to a single source or
13 supply within the near vicinity, or the materials, supplies, equipment,
14 or services are subject to special market conditions, and recites why
15 this situation exists. Such actions are subject to RCW 39.30.020.))~~
16 The city or town legislative authority may waive the competitive
17 bidding requirements of this section pursuant to section 1 of this act
18 if an exemption contained within that section applies to the purchase
19 or public work.

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

23 (11) Nothing in this section shall prohibit any second class city
24 or any town from allowing for preferential purchase of products made
25 from recycled materials or products that may be recycled or reused.

26 **Sec. 4.** RCW 36.32.270 and 1963 c 4 s 36.32.270 are each amended to
27 read as follows:

28 ~~((In the event of an emergency when the public interest or property
29 of the county would suffer material injury or damage by delay, upon
30 resolution of the board of county commissioners declaring the existence
31 of such emergency and reciting the facts constituting the same, the
32 board))~~ The county legislative authority may waive the competitive
33 bidding requirements of this chapter ((with reference to any)) pursuant
34 to section 1 of this act if an exemption contained within that section
35 applies to the purchase or ((contract)) public work.

36 **Sec. 5.** RCW 52.14.110 and 1993 c 198 s 11 are each amended to read
37 as follows:

1 Insofar as practicable, purchases and any public works by the
2 district shall be based on competitive bids. A formal sealed bid
3 procedure shall be used as standard procedure for purchases and
4 contracts for purchases executed by the board of commissioners. Formal
5 sealed bidding shall not be required for:

6 ~~(1) ((Emergency purchases if the sealed bidding procedure would
7 prevent or hinder the emergency from being addressed appropriately.
8 The term emergency means an occurrence that creates an immediate threat
9 to life or property;~~

10 ~~(2))~~ The purchase of any materials, supplies, or equipment if the
11 cost will not exceed the sum of four thousand five hundred dollars.
12 However, whenever the estimated cost is from four thousand five hundred
13 dollars up to ten thousand dollars, the commissioners may by resolution
14 use the process provided in RCW 39.04.190 to award contracts;

15 ~~((3))~~ (2) Contracting for work to be done involving the
16 construction or improvement of a fire station or other buildings where
17 the estimated cost will not exceed the sum of two thousand five hundred
18 dollars, which includes the costs of labor, material, and equipment.
19 However, whenever the estimated cost is from two thousand five hundred
20 dollars up to ten thousand dollars, the commissioner may by resolution
21 use the small works roster process provided in RCW 39.04.155; and

22 ~~((4) Purchases which are clearly and legitimately limited to a
23 single source of supply, or services, in which instances the purchase
24 price may be best established by direct negotiation: PROVIDED, That
25 this subsection shall not apply to purchases or contracts relating to
26 public works as defined in chapter 39.04 RCW; and~~

27 ~~(5) Purchases of insurance and bonds.)~~ (3) Any contract for
28 purchases or public work pursuant to section 1 of this act if an
29 exemption contained within that section applies to the purchase or
30 public work.

31 **Sec. 6.** RCW 53.08.120 and 1993 c 198 s 13 are each amended to read
32 as follows:

33 All material required by a port district may be procured in the
34 open market or by contract and all work ordered may be done by contract
35 or day labor. All such contracts for work, the estimated cost of which
36 exceeds one hundred thousand dollars, shall be let at public bidding
37 upon notice published in a newspaper of general circulation in the
38 district at least thirteen days before the last date upon which bids

1 will be received, calling for sealed bids upon the work, plans and
2 specifications for which shall then be on file in the office of the
3 commission for public inspection. The same notice may call for bids on
4 such work or material based upon plans and specifications submitted by
5 the bidder. The competitive bidding requirements for purchases or
6 public works may be waived pursuant to section 1 of this act if an
7 exemption contained within that section applies to the purchase or
8 public work.

9 Each port district shall maintain a small works roster, as provided
10 in RCW 39.04.155, and may use the small works roster process to award
11 contracts in lieu of calling for sealed bids whenever work is done by
12 contract, the estimated cost of which is one hundred thousand dollars
13 or less. Whenever possible, the managing official shall invite at
14 least one proposal from a minority contractor who shall otherwise
15 qualify under this section.

16 When awarding such a contract for work, when utilizing proposals
17 from the small works roster, the managing official shall give weight to
18 the contractor submitting the lowest and best proposal, and whenever it
19 would not violate the public interest, such contracts shall be
20 distributed equally among contractors, including minority contractors,
21 on the small works roster.

22 **Sec. 7.** RCW 54.04.070 and 1993 c 198 s 14 are each amended to read
23 as follows:

24 Any item, or items of the same kind of materials, equipment, or
25 supplies purchased, the estimated cost of which is in excess of five
26 thousand dollars, exclusive of sales tax shall be by contract:
27 PROVIDED, That a district may make purchases of the same kind of items
28 of materials, equipment and supplies not exceeding five thousand
29 dollars in any calendar month without a contract, purchasing any excess
30 thereof over five thousand dollars by contract. Any work ordered by a
31 district commission, the estimated cost of which is in excess of ten
32 thousand dollars exclusive of sales tax, shall be by contract, except
33 that a district commission may have its own regularly employed
34 personnel perform work which is an accepted industry practice under
35 prudent utility management without a contract. Prudent utility
36 management means performing work with regularly employed personnel
37 utilizing material of a worth not exceeding fifty thousand dollars in
38 value without a contract: PROVIDED, That such limit on the value of

1 material being utilized in work being performed by regularly employed
2 personnel shall not include the value of individual items of equipment
3 purchased or acquired and used as one unit of a project. Before
4 awarding such a contract, the commission shall publish a notice once or
5 more in a newspaper of general circulation in the district at least
6 thirteen days before the last date upon which bids will be received,
7 inviting sealed proposals for the work or materials; plans and
8 specifications of which shall at the time of the publication be on file
9 at the office of the district subject to public inspection. Any
10 published notice ordering work to be performed for the district shall
11 be mailed at the time of publication to any established trade
12 association which files a written request with the district to receive
13 such notices. The commission may at the same time and as part of the
14 same notice, invite tenders for the work or materials upon plans and
15 specifications to be submitted by the bidders.

16 Notwithstanding any other provisions herein, all contract projects,
17 the estimated cost of which is less than one hundred thousand dollars,
18 may be awarded to a contractor using the small works roster process
19 provided in RCW 39.04.155. All contract projects equal to or in excess
20 of one hundred thousand dollars shall be let by competitive bidding.

21 Whenever equipment or materials required by a district are held by
22 a governmental agency and are available for sale but such agency is
23 unwilling to submit a proposal, the commission may ascertain the price
24 of such items and file a statement of such price supported by the sworn
25 affidavit of one member of the commission and may consider such price
26 as a bid without a deposit or bond. ~~((In the event of an emergency
27 when the public interest or property of the district would suffer
28 material injury or damage by delay, upon resolution of the commission,
29 or proclamation of an official designated by the board to act for the
30 board during such emergencies, declaring the existence of such
31 emergency and reciting the facts constituting the same, the board, or
32 the official acting for the board, may waive the requirements of this
33 chapter with reference to any purchase or contract, after having taken
34 precautions to secure the lowest price practicable under the
35 circumstances.~~

36 ~~After determination by the commission during a public meeting that
37 a particular purchase is available clearly and legitimately only from
38 a single source of supply, the bidding requirements of this section may
39 be waived by the commission.))~~

1 The commission may waive the competitive bidding requirements of
2 this section pursuant to section 1 of this act if an exemption
3 contained within that section applies to the purchase or public work.

4 **Sec. 8.** RCW 57.08.050 and 1997 c 245 s 4 are each amended to read
5 as follows:

6 (1) All work ordered, the estimated cost of which is in excess of
7 five thousand dollars shall be let by contract. All contract projects,
8 the estimated cost of which is in excess of five thousand dollars and
9 less than fifty thousand dollars, may be awarded to a contractor using
10 the small works roster process provided in RCW 39.04.155. The board of
11 commissioners may set up uniform procedures to prequalify contractors
12 for inclusion on the small works roster. All contract projects equal
13 to or in excess of fifty thousand dollars shall be let by competitive
14 bidding. Before awarding any such contract the board of commissioners
15 shall publish a notice in a newspaper of general circulation where the
16 district is located at least once thirteen days before the last date
17 upon which bids will be received, inviting sealed proposals for such
18 work, plans and specifications which must at the time of publication of
19 such notice be on file in the office of the board of commissioners
20 subject to the public inspection. The notice shall state generally the
21 work to be done and shall call for proposals for doing the same to be
22 sealed and filed with the board of commissioners on or before the day
23 and hour named therein.

24 Each bid shall be accompanied by a certified or cashier's check or
25 postal money order payable to the order of the county treasurer for a
26 sum not less than five percent of the amount of the bid, or accompanied
27 by a bid bond in an amount not less than five percent of the bid with
28 a corporate surety licensed to do business in the state, conditioned
29 that the bidder will pay the district as liquidated damages the amount
30 specified in the bond, unless the bidder enters into a contract in
31 accordance with the bidder's bid, and no bid shall be considered unless
32 accompanied by such check, cash or bid bond. At the time and place
33 named such bids shall be publicly opened and read and the board of
34 commissioners shall proceed to canvass the bids and may let such
35 contract to the lowest responsible bidder upon plans and specifications
36 on file or to the best bidder submitting the bidder's own plans and
37 specifications. However, no contract shall be let in excess of the
38 cost of the materials or work. The board of commissioners may reject

1 all bids for good cause and readvertise and in such case all checks,
2 cash or bid bonds shall be returned to the bidders. If the contract is
3 let, then all checks, cash, or bid bonds shall be returned to the
4 bidders, except that of the successful bidder, which shall be retained
5 until a contract shall be entered into for doing the work, and a bond
6 to perform such work furnished with sureties satisfactory to the board
7 of commissioners in the full amount of the contract price between the
8 bidder and the commission in accordance with the bid. If the bidder
9 fails to enter into the contract in accordance with the bid and furnish
10 the bond within ten days from the date at which the bidder is notified
11 that the bidder is the successful bidder, the check, cash, or bid bonds
12 and the amount thereof shall be forfeited to the district. If the
13 bidder fails to enter into a contract in accordance with the bidder's
14 bid, and the board of commissioners deems it necessary to take legal
15 action to collect on any bid bond required by this section, then the
16 district shall be entitled to collect from the bidder any legal
17 expenses, including reasonable attorneys' fees occasioned thereby. A
18 low bidder who claims error and fails to enter into a contract is
19 prohibited from bidding on the same project if a second or subsequent
20 call for bids is made for the project.

21 (2) Any purchase of materials, supplies, or equipment, with an
22 estimated cost in excess of ten thousand dollars, shall be by contract.
23 Any purchase of materials, supplies, or equipment, with an estimated
24 cost of from ~~((five))~~ ten thousand dollars to less than fifty thousand
25 dollars shall be made using the process provided in RCW ~~((39.04.155))~~
26 39.04.190 or by competitive bidding following the procedure for letting
27 contracts for projects under subsection (1) of this section. Any
28 purchase of materials, supplies, or equipment with an estimated cost of
29 fifty thousand dollars or more shall be made by competitive bidding
30 following the procedure for letting contracts for projects under
31 subsection (1) of this section.

32 ~~((In the event of an emergency when the public interest or
33 property of the district would suffer material injury or damage by
34 delay, upon resolution of the board of commissioners, or proclamation
35 of an official designated by the board to act for the board during such
36 emergencies, declaring the existence of such emergency and reciting the
37 facts constituting the same, the board or official acting for the board
38 may waive the requirements of this chapter with reference to any
39 purchase or contract. In addition, these requirements may be waived~~

1 ~~for purchases which are clearly and legitimately limited to a single~~
2 ~~source of supply and purchases involving special facilities, services,~~
3 ~~or market conditions, in which instances the purchase price may be best~~
4 ~~established by direct negotiation.))~~ The board may waive the
5 competitive bidding requirements of this section pursuant to section 1
6 of this act if an exemption contained within that section applies to
7 the purchase or public work.

8 **Sec. 9.** RCW 70.44.140 and 1996 c 18 s 15 are each amended to read
9 as follows:

10 (1) All materials purchased and work ordered, the estimated cost of
11 which is in excess of five thousand dollars, shall be by contract.
12 Before awarding any such contract, the commission shall publish a
13 notice at least thirteen days before the last date upon which bids will
14 be received, inviting sealed proposals for such work. The plans and
15 specifications must at the time of the publication of such notice be on
16 file at the office of the public hospital district, subject to public
17 inspection: PROVIDED, HOWEVER, That the commission may at the same
18 time, and as part of the same notice, invite tenders for the work or
19 materials upon plans and specifications to be submitted by bidders.
20 The notice shall state generally the work to be done, and shall call
21 for proposals for doing the same, to be sealed and filed with the
22 commission on or before the day and hour named therein. Each bid shall
23 be accompanied by bid proposal security in the form of a certified
24 check, cashier's check, postal money order, or surety bond made payable
25 to the order of the commission, for a sum not less than five percent of
26 the amount of the bid, and no bid shall be considered unless
27 accompanied by such bid proposal security. At the time and place
28 named, such bids shall be publicly opened and read, and the commission
29 shall proceed to canvass the bids, and may let such contract to the
30 lowest responsible bidder upon plans and specifications on file, or to
31 the best bidder submitting his or her own plans and specifications:
32 PROVIDED, HOWEVER, That no contract shall be let in excess of the
33 estimated cost of the materials or work, or if, in the opinion of the
34 commission, all bids are unsatisfactory, they may reject all of them
35 and readvertise, and in such case all bid proposal security shall be
36 returned to the bidders; but if such contract be let, then and in such
37 case all bid proposal security shall be returned to the bidders, except
38 that of the successful bidder, which shall be retained until a contract

1 shall be entered into for the purchase of such materials for doing such
2 work, and a bond to perform such work furnished, with sureties
3 satisfactory to the commission, in an amount to be fixed by the
4 commission, not less than twenty-five percent of contract price in any
5 case, between the bidder and commission, in accordance with the bid.
6 If such bidder fails to enter into the contract in accordance with the
7 bid and furnish such bond within ten days from the date at which the
8 bidder is notified that he or she is the successful bidder, the bid
9 proposal security and the amount thereof shall be forfeited to the
10 public hospital district. A low bidder who claims error and fails to
11 enter into a contract is prohibited from bidding on the same project if
12 a second or subsequent call for bids is made for the project.

13 (2) In lieu of the procedures of subsection (1) of this section, a
14 public hospital district may use a small works roster process and award
15 public works contracts for projects in excess of five thousand dollars
16 up to fifty thousand dollars as provided in RCW 39.04.155.

17 (3) For advertisement and formal sealed bidding to be dispensed
18 with as to purchases between five thousand and fifteen thousand
19 dollars, the commission must authorize by resolution a procedure as
20 provided in RCW 39.04.190.

21 (4) The commission may waive the competitive bidding requirements
22 of this section pursuant to section 1 of this act if an exemption
23 contained within that section applies to the purchase or public work.

24 NEW SECTION. Sec. 10. A new section is added to chapter 36.34 RCW
25 to read as follows:

26 In accordance with RCW 35.42.010 through 35.42.220, a county with
27 a population of one million or more may lease space and provide for the
28 leasing of such space through leases with an option to purchase and the
29 acquisition of buildings erected upon land owned by the county upon the
30 expiration of lease of such land. For the purposes of this section,
31 "building," as defined in RCW 35.42.020 shall be construed to include
32 any building or buildings used as part of, or in connection with, the
33 operation of the county. The authority conferred by this section is in
34 addition to and not in lieu of any other provision authorizing counties
35 to lease property."

1 **SHB 2077** - S COMM AMD
2 By Committee on Government Operations

ADOPTED 3/6/98

3
4 On page 1, line 1 of the title, after "bidding;" strike the
5 remainder of the title and insert "amending RCW 35.22.620, 35.23.352,
6 36.32.270, 52.14.110, 53.08.120, 54.04.070, 57.08.050, and 70.44.140;
7 adding a new section to chapter 39.04 RCW; and adding a new section to
8 chapter 36.34 RCW."

--- END ---