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SENATE BILL 5525

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State of Washington

55th Legislature

1997 Regular Session

By Senators Haugen, Horn, Jacobsen and Hale

Read first time 01/29/97. Referred to Committee on Government Operations.

1 AN ACT Relating to exemptions from formal competitive bidding  
2 procedures for goods and services; and adding a new chapter to Title 39  
3 RCW.

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

5 NEW SECTION. **Sec. 1.** For the purposes of this chapter, the term  
6 "municipality" includes every city, county, town, district, or other  
7 public agency thereof that is authorized by law to require the  
8 execution of public work, except drainage districts, diking districts,  
9 diking and drainage improvement districts, drainage improvement  
10 districts, diking improvement districts, consolidated diking and  
11 drainage improvement districts, consolidated drainage improvement  
12 districts, consolidated diking improvement districts, irrigation  
13 districts, or any other districts as may from time to time be  
14 authorized by law for the reclamation or development of waste or  
15 undeveloped lands.

16 NEW SECTION. **Sec. 2.** (1) This section provides uniform exemptions  
17 to competitive bidding procedures utilized by municipalities when  
18 awarding contracts for purchases of goods and services. The statutes

1 governing a specific type of municipality may also include other  
2 exemptions from competitive bidding procedures. The purpose of this  
3 section is to supplement and not to limit the current powers,  
4 requirements, or practices of any municipality to provide exemptions  
5 from competitive bidding procedures.

6 (2) Competitive bidding procedures may be waived by the governing  
7 body of the municipality for purchases in which the purchase price may  
8 be best established by direct negotiation, and:

9 (a) The purchases are clearly and legitimately limited to a single  
10 source of supply;

11 (b) The purchases involve special facilities or market conditions;  
12 or

13 (c) The municipality is purchasing insurance or bonds.

14 (3) The waiver of competitive bidding procedures under subsection  
15 (2) of this section may be by resolution or by the terms of written  
16 policies adopted by the municipality, at the option of the governing  
17 body of the municipality. If the governing body elects to waive  
18 competitive bidding procedures by the terms of written policies adopted  
19 by the municipality, immediately after the award of any contract is  
20 made, the contract and the factual basis for the exception must be  
21 recorded and open to public inspection.

22 (4) If a resolution is adopted by a governing body to waive  
23 competitive bidding procedures under subsection (2) of this section,  
24 the resolution must recite the factual basis for the exception.

25 (5) Competitive bidding procedures may be waived for purchases of  
26 goods and services in the event of an emergency under section 3 of this  
27 act.

28 NEW SECTION. **Sec. 3.** (1) The governing body of the municipality  
29 may designate by resolution a person or persons who shall declare that  
30 an emergency situation exists for the purpose of waiving competitive  
31 bidding requirements and awarding all necessary contracts for purchases  
32 of goods and services on behalf of the municipality to address the  
33 emergency situation.

34 (2) A written finding of the existence of an emergency must be made  
35 by the governing body or its designee and duly entered of record.

36 (3) For emergency purchases of goods and services of less than  
37 fifty thousand dollars, the governing body or its designee shall  
38 contact at least three vendors to the extent practicable under the

1 circumstances and provide them with a scope of work. The governing  
2 body or its designee shall award the purchase to the vendor who best  
3 meets the needs of the municipality as outlined in the scope of work.  
4 The designee, if designated, shall make a quarterly report to the  
5 governing body setting forth for each emergency purchase, the name of  
6 the vendor, a summary of the goods provided, the amount of the  
7 emergency purchase, and a summary of the written finding made pursuant  
8 to subsection (2) of this section.

9 (4) In addition to the requirements of subsection (3) of this  
10 section, for emergency purchases that have a value of fifty thousand  
11 dollars or more, the designee shall, within three working days of the  
12 declaration of the emergency, report to the governing body the  
13 emergency purchases and estimate the time during which emergency  
14 contracting procedures will be used to provide relief from the  
15 emergency.

16 (5) Beginning on July 1, 1999, and on July 1st of each succeeding  
17 odd-numbered year, the dollar limits specified in this section shall be  
18 adjusted as follows: The office of financial management shall  
19 calculate such limits by adjusting the previous biennium's limits by  
20 the appropriate federal inflationary index reflecting the rate of  
21 inflation for the previous biennium. Such amounts shall be rounded to  
22 the nearest one hundred dollars.

23 (6) An emergency is defined for purposes of this chapter as a  
24 situation in which the public interest or property of the municipality  
25 would suffer material injury or damage by delay.

26 NEW SECTION. **Sec. 4.** Sections 1 through 3 of this act constitute  
27 a new chapter in Title 39 RCW.

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