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**SUBSTITUTE SENATE BILL 5782**

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**State of Washington**

**55th Legislature**

**1997 Regular Session**

**By** Senate Committee on Government Operations (originally sponsored by Senators Swecker, Haugen, Rasmussen and Fraser)

Read first time 03/05/97.

1 AN ACT Relating to bid requirements for water-sewer districts; and  
2 reenacting and 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 1996 c 230 s 311 and 1996 c 18 s 14 are  
5 each reenacted and amended to read as follows:

6 (1) All ((work)) projects ordered, the estimated cost of which is  
7 in excess of ((five)) ten thousand dollars, shall be let by contract.  
8 The cost of a project is the aggregate amount to be paid for all labor,  
9 materials, supplies, and equipment of a continuous or interrelated  
10 project if the work is to be performed simultaneously or in close  
11 sequence. All contract projects, the estimated cost of which is in  
12 excess of ten thousand dollars but less than fifty thousand dollars,  
13 may be awarded to a contractor using the small works roster process  
14 provided in RCW 39.04.155. The board of commissioners may set up  
15 uniform procedures to prequalify contractors for inclusion on the small  
16 works roster. All contract projects equal to or in excess of fifty  
17 thousand dollars shall be let by competitive bidding. Before awarding  
18 any such contract the board of commissioners shall publish a notice in  
19 a newspaper of general circulation where the district is located at

1 least once thirteen days before the last date upon which bids will be  
2 received, inviting sealed proposals for such work, plans and  
3 specifications ((which)). The work plans and specifications must at  
4 the time of publication of such notice be on file in the office of the  
5 board of commissioners and be subject to ((the)) public inspection.  
6 The notice shall state generally the work to be done and shall call for  
7 proposals for doing the same to be sealed and filed with the board of  
8 water commissioners on or before the day and hour named therein.

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

1 expenses, including reasonable attorneys' fees occasioned thereby. A  
2 low bidder who claims error and fails to enter into a contract is  
3 prohibited from bidding on the same project if a second or subsequent  
4 call for bids is made for the project.

5 (2) Any purchase of materials, supplies, or equipment, with an  
6 estimated cost in excess of ten thousand dollars, shall be by contract.  
7 Any purchase of materials, supplies, or equipment, with an estimated  
8 cost (~~(of from five)~~) in excess of ten thousand dollars (~~(to)~~) but less  
9 than fifty thousand dollars shall be made using the process provided in  
10 RCW (~~(39.04.155)~~) 39.04.190 or by competitive bidding following the  
11 procedure for letting contracts for projects under subsection (1) of  
12 this section. Any purchase of materials, supplies, or equipment with  
13 an estimated cost of fifty thousand dollars or more shall be made by  
14 competitive bidding following the procedure for letting contracts for  
15 projects under subsection (1) of this section.

16 (3) In the event of an emergency when the public interest or  
17 property of the district would suffer material injury or damage by  
18 delay, upon resolution of the board of commissioners, or proclamation  
19 of an official designated by the board to act for the board during such  
20 emergencies, declaring the existence of such emergency and reciting the  
21 facts constituting the same, the board or official acting for the board  
22 may waive the requirements of this chapter with reference to any  
23 purchase or contract. In addition, these requirements may be waived  
24 for purchases which are clearly and legitimately limited to a single  
25 source of supply and purchases involving special facilities, services,  
26 or market conditions, in which instances the purchase price may be best  
27 established by direct negotiation.

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