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SECOND SUBSTITUTE HOUSE BILL 2100

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State of Washington

57th Legislature

2002 Regular Session

By House Committee on State Government (originally sponsored by Representatives Dunshee, Mulliken and Berkey)

Read first time 01/24/2002. Referred to Committee on .

1 AN ACT Relating to increasing bid limits for the alternative bid  
2 procedure under RCW 39.04.190; and amending RCW 54.04.082 and  
3 54.04.070.

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

5 **Sec. 1.** RCW 54.04.082 and 1995 c 354 s 1 are each amended to read  
6 as follows:

7 For the awarding of a contract to purchase any item, or items of  
8 the same kind of materials, equipment, or supplies in an amount  
9 exceeding ((five)) ten thousand dollars, but less than ((~~thirty-five~~))  
10 fifty thousand dollars, exclusive of sales tax, the commission may, in  
11 lieu of the procedure described in RCW 54.04.070 and 54.04.080  
12 requiring public notice to invite sealed proposals for such materials,  
13 equipment, or supplies, pursuant to commission resolution use the  
14 process provided in RCW 39.04.190. Waiver of the deposit or bid bond  
15 required under RCW 54.04.080 may be authorized by the commission in  
16 securing such bid quotations.

17 **Sec. 2.** RCW 54.04.070 and 2000 c 138 s 211 are each amended to  
18 read as follows:

1 Any item, or items of the same kind of materials, equipment, or  
2 supplies purchased, the estimated cost of which is in excess of  
3 ((five)) ten thousand dollars, exclusive of sales tax shall be by  
4 contract: PROVIDED, That a district may make purchases of the same  
5 kind of items of materials, equipment and supplies not exceeding five  
6 thousand dollars in any calendar month without a contract, purchasing  
7 any excess thereof over five thousand dollars by contract. Any work  
8 ordered by a district commission, the estimated cost of which is in  
9 excess of ten thousand dollars exclusive of sales tax, shall be by  
10 contract, except that a district commission may have its own regularly  
11 employed personnel perform work which is an accepted industry practice  
12 under prudent utility management without a contract. Prudent utility  
13 management means performing work with regularly employed personnel  
14 utilizing material of a worth not exceeding fifty thousand dollars in  
15 value without a contract: PROVIDED, That such limit on the value of  
16 material being utilized in work being performed by regularly employed  
17 personnel shall not include the value of individual items of equipment  
18 purchased or acquired and used as one unit of a project. Before  
19 awarding such a contract, the commission shall publish a notice once or  
20 more in a newspaper of general circulation in the district at least  
21 thirteen days before the last date upon which bids will be received,  
22 inviting sealed proposals for the work or materials; plans and  
23 specifications of which shall at the time of the publication be on file  
24 at the office of the district subject to public inspection. Any  
25 published notice ordering work to be performed for the district shall  
26 be mailed at the time of publication to any established trade  
27 association which files a written request with the district to receive  
28 such notices. The commission may at the same time and as part of the  
29 same notice, invite tenders for the work or materials upon plans and  
30 specifications to be submitted by the bidders.

31 All contract projects equal to or in excess of one hundred thousand  
32 dollars shall be let by competitive bidding unless the public utility  
33 district lets contracts using the small works roster process under RCW  
34 39.04.155.

35 Whenever equipment or materials required by a district are held by  
36 a governmental agency and are available for sale but such agency is  
37 unwilling to submit a proposal, the commission may ascertain the price  
38 of such items and file a statement of such price supported by the sworn

1 affidavit of one member of the commission and may consider such price  
2 as a bid without a deposit or bond.

3       The commission may waive the competitive bidding requirements of  
4 this section pursuant to RCW 39.04.280 if an exemption contained within  
5 that section applies to the purchase or public work.

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