# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Local Government Committee**

## **HB 2570**

**Brief Description:** Allowing water-sewer districts to consider fees in selecting engineering services.

**Sponsors:** Representatives Schindler, Miloscia, Priest, Mielke, Ahern and Edwards.

### **Brief Summary of Bill**

- Provides a water-sewer district with the option of contracting for engineering services by selecting either a qualified firm that can provide the services at the lowest cost or the most qualified firm that can provide services at a fair and reasonable cost.
- Provides a water-sewer district with the option of exempting itself from the general requirements applicable to state governmental entities with respect to the awarding of contracts for engineering services, as provided under RCW 39.80.040 and RCW 39.80.050.

Hearing Date: 1/28/04

**Staff:** Thamas Osborn (786-7129).

#### **Background:**

Public contracts for engineering services under RCW 39.80.040 and RCW 39.80.050.

Architectural and engineering firms that do business with state and local governmental agencies are encouraged to submit annual statements containing both their qualifications and relevant performance data. Government agencies, in turn, are required to assess such information in order to determine which firms are most highly qualified to perform the services required for a proposed project. In addition, government agencies must include provisions in their contracting guidelines that ensure minority and women-owned firms are afforded the maximum practicable opportunity to obtain public contracts for architectural and engineering services.

In the procurement of architectural and engineering services, governmental agencies are required to contract with the "most qualified" firm that offers services at a price that is "fair and reasonable".

Public contracts for services awarded by water-sewer districts.

In obtaining services which cost in excess of \$10,000, water-sewer districts are required to follow specified procedures with respect to awarding contracts via a competitive bidding process.

#### **Summary of Bill:**

A water-sewer district may require that an engineering firm provide a declaration of its professional fees and rates for its services at the time the firm submits its statement of qualifications and/or a project proposal. In awarding a contract for an engineering project, the district may choose among qualified firms on the basis of which firm offers the lowest proposed fees or fee rates. Accordingly, a water-sewer district has the option of contracting for engineering services by selecting either a qualified firm that can provide the services at the lowest cost or the most qualified firm that can provide services at a fair and reasonable cost.

A water-sewer district has the option of exempting itself from the general requirements applicable to state governmental entities with respect to the awarding of contracts for engineering services, as set forth in RCW 39.08.040 and RCW 39.08.050.

**Appropriation:** None.

**Fiscal Note:** Requested on January 22, 2004.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.