S-3404.1			

SENATE BILL 6207

State of Washington 58th Legislature 2004 Regular Session

By Senators Eide, Schmidt and Kastama

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Read first time 01/14/2004. Referred to Committee on Government Operations & Elections.

- 1 AN ACT Relating to allowing water-sewer districts to consider fees
- 2 in selecting engineering services; reenacting and amending RCW
- 3 57.08.050; and adding a new section to chapter 39.80 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 57.08.050 and 2003 c 145 s 1 and 2003 c 60 s 1 are 6 each reenacted and amended to read as follows:
 - (1) All work ordered, the estimated cost of which is in excess of ten thousand dollars, shall be let by contract and competitive bidding. Before awarding any such contract the board of commissioners shall publish a notice in a newspaper of general circulation where the
- 11 district is located at least once thirteen days before the last date
- 12 upon which bids will be received, inviting sealed proposals for such
- work, plans and specifications which must at the time of publication of
- 14 such notice be on file in the office of the board of commissioners
- 15 subject to the public inspection. The notice shall state generally the
- 16 work to be done and shall call for proposals for doing the same to be
- sealed and filed with the board of commissioners on or before the day and hour named therein.

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Each bid shall be accompanied by a certified or cashier's check or postal money order payable to the order of the county treasurer for a sum not less than five percent of the amount of the bid, or accompanied by a bid bond in an amount not less than five percent of the bid with a corporate surety licensed to do business in the state, conditioned that the bidder will pay the district as liquidated damages the amount specified in the bond, unless the bidder enters into a contract in accordance with the bidder's bid, and no bid shall be considered unless accompanied by such check, cash or bid bond. At the time and place named such bids shall be publicly opened and read and the board of commissioners shall proceed to canvass the bids and may let such contract to the lowest responsible bidder upon plans and specifications on file or to the best bidder submitting the bidder's own plans and specifications. The board of commissioners may reject all bids for good cause and readvertise and in such case all checks, cash or bid bonds shall be returned to the bidders. If the contract is let, then all checks, cash, or bid bonds shall be returned to the bidders, except that of the successful bidder, which shall be retained until a contract shall be entered into for doing the work, and a bond to perform such work furnished with sureties satisfactory to the board of commissioners in the full amount of the contract price between the bidder and the commission in accordance with the bid. If the bidder fails to enter into the contract in accordance with the bid and furnish the bond within ten days from the date at which the bidder is notified that the bidder is the successful bidder, the check, cash, or bid bonds and the amount thereof shall be forfeited to the district. If the bidder fails to enter into a contract in accordance with the bidder's bid, and the board of commissioners deems it necessary to take legal action to collect on any bid bond required by this section, then the district shall be entitled to collect from the bidder any legal expenses, including reasonable attorneys' fees occasioned thereby. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project.

(2) As an alternative to requirements under subsection (1) of this section, a water-sewer district may let contracts using the small works roster process under RCW 39.04.155.

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(3) Any purchase of materials, supplies, or equipment, with an estimated cost in excess of ten thousand dollars, shall be by contract. Any purchase of materials, supplies, or equipment, with an estimated cost of less than fifty thousand dollars shall be made using the process provided in RCW 39.04.190. Any purchase of materials, supplies, or equipment with an estimated cost of fifty thousand dollars or more shall be made by competitive bidding following the procedure for letting contracts for projects under subsection (1) of this section.

- (4) As an alternative to requirements under subsection (3) of this section, a water-sewer district may let contracts for purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing rosters for the materials, supplies, or equipment, when the roster has been established in accordance with the competitive bidding law for purchases applicable to the state agency, county, city, or town. The price and terms for purchases shall be as described on the applicable roster.
- (5) The board may waive the competitive bidding requirements of this section pursuant to RCW 39.04.280 if an exemption contained within that section applies to the purchase or public work.
- (6) When selecting a professional engineer or professional engineering firm to perform services on behalf of the district, the district may, in lieu of pursuing selection under chapter 39.80 RCW, elect to require that the person or firm submit, with its statement of qualifications or project proposal, a declaration of the professional fees and fee rates to be charged in performing the services. In making its selection, the district may choose among the persons or firms qualified to perform the services on the basis of the lowest proposed fees and/or fee rates for the work.
- 30 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 39.80 RCW 31 to read as follows:
- 32 RCW 39.80.040 and 39.80.050 need not be complied with by a water-33 sewer district selecting a professional engineer or professional 34 engineering firm to perform services on behalf of the district under 35 RCW 57.08.050(6).

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