
Local Government Committee

HB 1240

Brief Description: Authorizing certain water-sewer districts to use the job order contracting procedure.

Sponsors: Representatives Takko, Kochmar, Fitzgibbon, Crouse and Upthegrove.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Adds water-sewer districts with revenues greater than \$15 million per year to the list of public bodies that are authorized to use the job order contracting procedure, an alternative public works contracting procedure.

Hearing Date: 1/29/13

Staff: Michaela Murdock (786-7289).

Background:

In general, public bodies are required to award public works contracts to the lowest responsible bidder. However, statute authorizes specific public bodies to use alternative public works contracting procedures.

"Public bodies" are any general or special purpose government, including state agencies, institutions of higher education, counties, cities, towns, ports, school districts, and special purpose districts. "Public work" means any work for a public body that is work, construction, alteration, repair, or improvement other than ordinary maintenance.

There are three types of alternative public works contracting procedures authorized by statute: (1) Design/build procedure; (2) general contractor/construction manager procedure; and (3) job order contracting procedure.

Under the job order contracting procedure, a contractor agrees to perform an indefinite quantity of public works jobs, which are defined by individual work orders, over a fixed period of time.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The initial contract term for job order contracts may not exceed two years, with the option of extending or renewing the contract for one year. A public body may not have more than two job order contracts at any one time. At least 90 percent of the work contained in a job order contract must be subcontracted to entities other than the job order contractor.

Job order contracts are awarded through a competitive bidding process using public requests for proposals. The public body must publish notice of the request for proposals in a statewide publication and legal newspaper of general circulation published in every county in which the project is anticipated. A committee established by the public body must evaluate all submitted proposals and select the most qualified finalists, who in turn submit final proposals with sealed bids to the committee. The contract must be awarded to the firm submitting the highest scored final proposal as determined by certain factors. A protest period of at least 10 business days following announcement of the successful proposal must be provided by the public body.

Certain public bodies are authorized by statute to use the job order contracting procedure, including cities with populations greater than 70,000 and any public authority chartered by such a city; counties with populations greater than 450,000; port districts with total revenues greater than \$15 million per year; and public utility districts with revenues from energy sales greater than \$23 million per year. Prior to using the job order contracting procedure, public bodies must determine that use of the procedure will benefit the public by providing an effective means of reducing the total lead-time and cost for the construction of public works projects.

Summary of Bill:

Every water-sewer district with revenues from all sources of income greater than \$15 million per year is authorized to use the job order contracting procedure.

Appropriation: None.

Fiscal Note: Requested on January 21, 2013.

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