
ENGROSSED SUBSTITUTE HOUSE BILL 1410

State of Washington

64th Legislature

2015 Regular Session

By House Local Government (originally sponsored by Representatives Takko, Muri, Kilduff, Zeiger, Manweller, Pike, Stanford, and Condotta)

READ FIRST TIME 02/09/15.

1 AN ACT Relating to modifying provisions governing the competitive
2 bidding process of water-sewer districts; 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 2009 c 229 s 11 are each amended to
5 read as follows:

6 (1) All work ordered, the estimated cost of which is in excess of
7 (~~twenty~~) fifty thousand dollars, shall be let by contract and
8 competitive bidding. Before awarding any such contract the board of
9 commissioners shall publish a notice in a newspaper of general
10 circulation where the district is located at least once thirteen days
11 before the last date upon which bids will be received, inviting
12 sealed proposals for such work, plans and specifications which must
13 at the time of publication of such notice be on file in the office of
14 the board of commissioners subject to the public inspection. The
15 notice shall state generally the work to be done and shall call for
16 proposals for doing the same to be sealed and filed with the board of
17 commissioners on or before the day and hour named therein.

18 Each bid shall be accompanied by a certified or cashier's check
19 or postal money order payable to the order of the county treasurer
20 for a sum not less than five percent of the amount of the bid, or
21 accompanied by a bid bond in an amount not less than five percent of

1 the bid with a corporate surety licensed to do business in the state,
2 conditioned that the bidder will pay the district as liquidated
3 damages the amount specified in the bond, unless the bidder enters
4 into a contract in accordance with the bidder's bid, and no bid shall
5 be considered unless accompanied by such check, cash or bid bond. At
6 the time and place named such bids shall be publicly opened and read
7 and the board of commissioners shall proceed to canvass the bids and
8 may let such contract to the lowest responsible bidder upon plans and
9 specifications on file or to the best bidder submitting the bidder's
10 own plans and specifications. The board of commissioners may reject
11 all bids for good cause and readvertise and in such case all checks,
12 cash or bid bonds shall be returned to the bidders. If the contract
13 is let, then all checks, cash, or bid bonds shall be returned to the
14 bidders, except that of the successful bidder, which shall be
15 retained until a contract shall be entered into for doing the work,
16 and a bond to perform such work furnished with sureties satisfactory
17 to the board of commissioners in the full amount of the contract
18 price between the bidder and the commission in accordance with the
19 bid. If the bidder fails to enter into the contract in accordance
20 with the bid and furnish the bond within ten days from the date at
21 which the bidder is notified that the bidder is the successful
22 bidder, the check, cash, or bid bonds and the amount thereof shall be
23 forfeited to the district. If the bidder fails to enter into a
24 contract in accordance with the bidder's bid, and the board of
25 commissioners deems it necessary to take legal action to collect on
26 any bid bond required by this section, then the district shall be
27 entitled to collect from the bidder any legal expenses, including
28 reasonable attorneys' fees occasioned thereby. A low bidder who
29 claims error and fails to enter into a contract is prohibited from
30 bidding on the same project if a second or subsequent call for bids
31 is made for the project.

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

35 (3) Any purchase of materials, supplies, or equipment, with an
36 estimated cost in excess of forty thousand dollars, shall be by
37 contract. Any purchase of materials, supplies, or equipment, with an
38 estimated cost of less than fifty thousand dollars shall be made
39 using the process provided in RCW 39.04.190. Any purchase of
40 materials, supplies, or equipment with an estimated cost of fifty

1 thousand dollars or more shall be made by competitive bidding
2 following the procedure for letting contracts for projects under
3 subsection (1) of this section.

4 (4) As an alternative to requirements under subsection (3) of
5 this section, a water-sewer district may let contracts for purchase
6 of materials, supplies, or equipment with the suppliers designated on
7 current state agency, county, city, or town purchasing rosters for
8 the materials, supplies, or equipment, when the roster has been
9 established in accordance with the competitive bidding law for
10 purchases applicable to the state agency, county, city, or town. The
11 price and terms for purchases shall be as described on the applicable
12 roster.

13 (5) The board may waive the competitive bidding requirements of
14 this section pursuant to RCW 39.04.280 if an exemption contained
15 within that section applies to the purchase or public work.

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