

# FINAL BILL REPORT

## HB 1395

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C 136 L 17  
Synopsis as Enacted

**Brief Description:** Allowing public transportation benefit area authorities to use job order contracts and procedure.

**Sponsors:** Representatives Peterson and Koster.

**House Committee on Capital Budget**  
**Senate Committee on Transportation**

### **Background:**

#### Job Order Contracting.

Job order contracting is an alternative public works contracting procedure. Under a job order contract, a contractor agrees to perform an indefinite quantity of public works jobs, defined by individual work orders, over a fixed period of time. A public entity may not have more than two job order contracts in effect at any one time, except for the Department of Enterprise Services (DES), which may have six contracts in effect. Generally, the maximum total dollar amount that is awarded under a job order contract may not exceed \$4 million per year for a maximum of three years. However, the DES, counties with a population of more than one million, and cities with a population of more than 4000,000 may award up to a maximum of \$6 million per year for a maximum of three years. Individual work orders are limited to no more than \$350,000. No more than two work orders of \$350,000 may be issued by a public body in a 12-month period.

Job order contracts may be executed for an initial contract term of two years, with an option to extend or renew the contract for an additional year provided that any extension or renewal is priced as provided in the original proposal and is mutually agreed upon by the public body and the job order contractor. A job order contractor must subcontract 90 percent of the work under the contract and may self-perform 10 percent.

#### Public Transportation Benefit Area Authority.

Public Transportation Benefit Area Authorities (PTBAs) are special taxing districts created for funding public transportation. There are currently 31 districts that cover 23 counties and 132 cities. Most of the state's public transportation systems are operated by the PBTAs.

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*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.*

Public Transportation Benefit Area Authorities are governed by a board of directors of not more than nine elected officials.

**Summary:**

Public Transportation Benefit Area Authorities are authorized to use job order contracting for performing public works contracts.

**Votes on Final Passage:**

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|--------|----|---|
| House  | 96 | 2 |
| Senate | 49 | 0 |

**Effective:** July 23, 2017