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## Local Government Committee

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### HB 2690

**Brief Description:** Clarifying the authority and procedures for contracting by public port districts.

**Sponsors:** Representatives Peterson and Griffey.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Allows a port district to construct public works by contract without calling for bids whenever the estimated cost of the work or improvement, including the cost of materials, supplies, or equipment will not exceed \$40,000.</li></ul>
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**Hearing Date:** 1/17/18

**Staff:** Cassie Jones (786-7303).

**Background:**

Public Works.

"Public works" means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property in the jurisdiction. All public works, including maintenance when performed by contract, must comply with prevailing wage statutes. The prevailing rate of wage is the rate of hourly wage, usual benefits, and overtime paid in the locality to the majority of workers in the same trade or occupation.

Small Works Roster Process.

For public work projects estimated to cost \$300,000 or less, state agencies and local governments may use the small works roster (SWR) process to award contracts. Any responsible contractor may request to be on a SWR, which may be a single general list or may include lists for various specialties or categories of work. Under the SWR process, no advertising of such contract opportunities is required. Instead, a state agency or local government will solicit bids from all

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contractors who have requested to be on the appropriate SWR or from at least five of the listed contractors.

Port Districts and Procurement of Public Works.

Port districts are special purpose districts established for purposes related to: harbor improvements; rail, motor vehicle, water, air, or any combination of such transfer and terminal facilities; and other commercial transportation, transfer, handling, storage and terminal facilities, and industrial improvements.

A port district may procure materials and work that does not meet the definition of "public work" in the open market or by contract and all work ordered may be done by contract or day labor. A port district must procure public works, the estimated cost of which is greater than \$300,000, through a competitive bidding process. The competitive bidding process requires notice of the contract to be published and to call for bids on the work or materials. Competitive bidding requirements for purchases of public works may be waived for purchases: linked to a single source of supply, involving special market conditions, in the event of an emergency, and of insurance or bonds.

Public works that are estimated to cost less than \$300,000 may be procured using the SWR process in lieu of advertising for bids. Weight must be given to the contractor submitting the lowest and best proposal, and whenever it would not violate the public interest, such contracts must be distributed equally among contractors, including minority contractors, on the SWR.

**Summary of Bill:**

A port district may construct public works by contract without calling for bids whenever the estimated cost of the work or improvement, including the cost of materials, supplies, or equipment will not exceed \$40,000. A "public works project" means a complete project. A project may not be divided into units of work or classes of work to avoid calling for bids.

**Appropriation:** None.

**Fiscal Note:** Available.

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