

# FINAL BILL REPORT

## ESSB 6329

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Synopsis as Enacted

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

**Sponsors:** Senate Committee on Local Government (originally sponsored by Senators Takko, Angel and Chase).

**Senate Committee on Local Government**  
**House Committee on Local Government**  
**House Committee on Capital Budget**

**Background:** Port Districts. Port districts are municipal corporations with the authority to acquire, construct, maintain, operate, develop, and regulate harbor improvements, and transfer and terminal facilities for rail, water, air, and motor vehicles. Port districts may take up an entire single county or may be less than countywide.

Port Districts and Contracts. All material and work required by a port district not meeting the definition of public work may be procured in the open market or by contract and all work ordered may be done by contract or day labor. Generally, public work 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 therein.

All public work contracts estimated to cost more than \$300,000 must be awarded using a competitive bidding process. Public work contracts estimated to cost less than \$300,000 may be awarded using the small works roster process.

**Summary:** Ports districts may enter public work contracts estimated to cost \$40,000 or less without using a competitive bidding process. Public works project is defined to mean a complete project. Districts may not divide a public works project into smaller units to avoid calling for bids under the new provision. Port district managing officials must make their best efforts to reach out to qualified contractors, including certified minority and woman-owned contractors.

In addition, a port district may procure public works with a unit priced contract to complete anticipated types of work based on hourly rates or unit pricing for one or more categories of work or trades. Unit priced contract is defined as a competitively bid contract in which

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public works are anticipated on a recurring basis to meet the business or operational needs of a district, under which the contractor agrees to a fixed period, indefinite quantity delivery of work, at a defined unit price, for each category of work. Although an initial contract term may not exceed three years, districts may extend or renew a contract for one additional year.

Invitations for unit price bids must include the following information:

- estimated quantities of the anticipated types of work or trades; and
- how the district will issue or release work assignments, work orders, or task authorizations for projects based on the hourly rates or unit prices bid by the contractor.

Whenever possible, the port district must invite at least one proposal from a minority or woman contractor. Contracts must be awarded to the lowest responsible bidder.

Unit price contractors must pay prevailing wages for all public works that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work must be the rates in effect at the beginning date for each contract year. Unit priced contracts must have prevailing wage rates updated annually.

**Votes on Final Passage:**

Senate	46	1	
House	91	7	(House amended)
Senate	48	1	(Senate concurred)

**Effective:** June 7, 2018