

SENATE BILL REPORT

SB 5958

As Reported by Senate Committee On:
Local Government, February 21, 2019

Title: An act relating to public works contracts and interlocal agreements by second-class cities and towns.

Brief Description: Concerning public works contracts and interlocal agreements by second-class cities and towns.

Sponsors: Senators Lovelett and Nguyen.

Brief History:

Committee Activity: Local Government: 2/21/19, 2/21/19 [DP].

Brief Summary of Bill

- Makes clear that any obligation related to notices for competitive bidding arising from a local ordinance or policy is satisfied for a piggybacking entity if certain requirements are met, including that the host agency complies with its statutory contracting requirements and posts the solicitation online.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Staff: Bonnie Kim (786-7316)

Background: Second-Class City or Town—Public Works. A second-class city or town may contract for public works without a competitive bidding process if:

- the estimated cost is \$65,000 or less and involves more than one craft or trade; or
- the estimated cost is \$40,000 or less and involves a single craft or trade or the public works is street signalization or street lighting.

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.

All other public works contracts must be entered into following either a competitive bidding process or the small works roster process.

"Piggybacking." Generally, local government agencies may make purchases using another (the "host") agency's purchasing contract, a process known as "piggybacking." To piggyback on another local government agency's contract:

- the host agency and the piggybacking agency must sign an interlocal agreement and file it with the county auditor or post it online by subject;
- the host agency must comply with its statutory contracting requirements and post the solicitation online; and
- the vendor must agree to the arrangement through the initial solicitation documents.

Summary of Bill: Any obligation related to notices for competitive bidding arising from a local ordinance, local policy, or charter requirement is satisfied for a piggybacking local government agency if:

- the host agency and the piggybacking agency sign an interlocal agreement and file it with the county auditor or post it online by subject;
- the host agency complies with its statutory contracting requirements and posts the solicitation online; and
- the vendor agrees to the arrangement through the initial solicitation documents.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The state auditor has recently disallowed piggybacking for purchases for some smaller jurisdictions. This is a powerful tool for smaller cities to make purchases while potentially saving thousands of dollars. This process is generally applied for public works-related projects.

Persons Testifying: PRO: Senator Liz Lovelett, Prime Sponsor.

Persons Signed In To Testify But Not Testifying: No one.