
**State Government & Tribal Affairs
Committee**

HB 2868

Brief Description: Regarding school district bidding procedures for purchases and public works projects.

Sponsors: Representatives Campbell, Dunshee, Chase and Santos.

Brief Summary of Bill

- Allows competitively bid purchases or public works to be awarded to any responsible bidder submitting a bid within 5 percent of the lowest responsive bid.
- Corrects the contradicting dollar amounts for when a competitive bid is required.
- Makes changes to clarify the statute.

Hearing Date: 1/29/10

Staff: Marsha Reilly (786-7135).

Background:

School District Competitive Bidding Requirements.

When the cost of any furniture, supplies, equipment, building, improvements or repairs, or other work or purchases, excluding books, exceeds \$50,000, a school district must engage in a competitive bid process. Complete plans and specifications must be prepared and notice published in at least one newspaper of general circulation for two consecutive weeks. The bids must be in writing and must be opened and read in public.

Goods and Services.

Purchases of furniture, equipment, or supplies, excluding books, estimated to cost \$40,000 or more must be made on a competitive basis. Purchases estimated to cost between \$40,000 and \$75,000 must be made through telephone or written quotations from at least three sources. For purchases estimated in excess of \$75,000, a formal bid is required in which specifications for the

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purchase are published and sealed bids submitted in writing and opened and read in public.

Projects or purchases made through competitive bid or quotation processes are awarded to the lowest responsible bidder, but the school district may reject any and all bids.

Public Works.

A school district may make improvements or repairs to district property through the district's shop and repair department when the total cost does not exceed \$40,000. Projects estimated to cost in excess of \$40,000 must be competitively bid. Formal bids are required for projects estimated to be in excess of \$100,000. However, school districts may use the small works roster process for any project estimated to cost \$300,000 or less.

Under the small works roster process, a single roster may be established or rosters may be established for different specialties or categories of anticipated work. Where applicable, small works rosters may make distinctions between contractors based upon different geographic areas served by the contractors. Generally, the process requires the public body to solicit names of responsible contractors to be included on the rosters on a yearly basis. When projects arise, quotations must be invited in a manner that will equitably distribute the opportunity among contractors on the appropriate roster. Quotations must be obtained from at least five contractors in order to assure that a competitive price is established. Contracts are awarded to the lowest responsible bidder.

Summary of Bill:

The competitive bidding process is changed to allow award of a contract to any responsible bidder submitting a bid within 5 percent of the lowest responsive bid. Projects estimated at \$100,000 or less may be completed by a district's shop and repair department. Contradictions in the dollar amounts for which a competitive bid is required are corrected. The statute is re-written for clarity.

Appropriation: None.

Fiscal Note: Not requested.

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