H-2447.1			

SUBSTITUTE HOUSE BILL 1916

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State of Washington 61st Legislature 2009 Regular Session

By House Capital Budget (originally sponsored by Representatives Hunt, Armstrong, Sells, Wallace, Haigh, Appleton, and Ormsby; by request of University of Washington)

READ FIRST TIME 03/03/09.

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AN ACT Relating to the state universities' public works contracting procedures; adding a new section to chapter 28B.20 RCW; adding a new section to chapter 28B.30 RCW; and providing expiration dates.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28B.20 RCW to read as follows:

(1) The board of regents may enter into any number of contracts with one or more persons, companies, or entities for the planning, design, renovation, erection, remodeling, demolition, or construction of university buildings and facilities, or improvements thereto, using a small works roster process for projects with an estimated cost of up to one million dollars, and a design-build process, design-bid-build process, or general contractor-construction manager process for projects with an estimated cost in excess of one million dollars. Such contract or contracts shall be awarded after public notice and under such requirements and procedures as shall be established by the board of regents, to the person or persons able to perform on the most advantageous terms. The requirements and procedures established by the board of regents may include but are not limited to: (a) Setting the

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dollar amount for self performance of work by the general contractor; 1 2 (b) setting the schedule for establishing the maximum allowable construction cost; and (c) establishing the process for selection of 3 subcontractors. This authority shall apply only when the revenue 4 source for the cost of the planning, design, renovation, erection, 5 remodeling, demolition, or construction of the buildings 6 7 facilities, or improvements thereto, does not include 8 appropriated funds. The board of regents does not have the power to 9 enter into any contract that binds the board of regents to pay out any sum of money in excess of the amount provided for said purpose. 10 11 requirements of chapters 39.08, 39.12, and 60.28 RCW apply to work 12 completed under this authority. If the board of regents chooses to 13 exercise the authority granted under this chapter, no other statutory 14 bidding or procurement requirements apply, including those in chapter 15 39.10 RCW and RCW 39.04.155.

- (2) Whenever the revenue source for a public works project does not include state-appropriated funds, the University of Washington may, before asking for bids, require from any person, firm, company, or corporation, interested in bidding, answers to questions contained in a standard form of questionnaire, including a complete statement of the financial ability and experience of the person, firm, company, or corporation and that of any proposed subcontractor. The completed questionnaire shall be sworn to before a notary public or other person authorized to take acknowledgment of deeds, and shall be submitted at such time as the University of Washington may require. Whenever the University of Washington is not satisfied with the sufficiency of the answers contained in a completed questionnaire or whenever the University of Washington determines that the person, firm, company, corporation, or subcontractor does not meet all of the requirements in this section, that person, firm, corporation, or subcontractor shall be disqualified from bidding. In order to be qualified to bid, a person, firm, corporation, or subcontractor shall have:
- (a) Adequate financial resources or the ability to secure such resources;
- (b) The necessary experience, organization, and technical qualifications to perform the proposed contract;
- 37 (c) The ability to comply with the required performance schedule taking into consideration all of its existing business commitments;

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1 (d) A satisfactory record of performance, integrity, judgment, and 2 skills; and

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- (e) Otherwise been qualified and eligible to receive an award under applicable laws and rules.
- (3) University of Washington may limit the total number of persons, firms, corporations, or companies requested to submit proposals or bids to a number that ensures that a sufficient number of competitive proposals or bids are received without unnecessarily creating marketing costs for otherwise qualified persons, firms, corporations, or companies. The University of Washington, on a project-by-project basis, shall determine the approved proposer or bidders list following the prequalification process.
- (4) This section expires June 30, 2011. By January 1, 2011, the University of Washington must provide to the legislature a summary of the projects performed under this section. The summary will include the project cost, a description of the contracting method used, and the contractors performing the work.

NEW SECTION. Sec. 2. A new section is added to chapter 28B.30 RCW to read as follows:

(1) The board of regents may enter into any number of contracts with one or more persons, companies, or entities for the planning, design, renovation, erection, remodeling, demolition, or construction of university buildings and facilities, or improvements thereto, using a small works roster process for projects with an estimated cost of up to one million dollars, and a design-build process, design-bid-build process, or general contractor-construction manager process for projects with an estimated cost in excess of one million dollars. Such contract or contracts shall be awarded after public notice and under such requirements and procedures as shall be established by the board of regents, to the person or persons able to perform on the most advantageous terms. The requirements and procedures established by the board of regents may include but are not limited to: (a) Setting the dollar amount for self performance of work by the general contractor; (b) setting the schedule for establishing the maximum allowable construction cost; and (c) establishing the process for selection of subcontractors. This authority shall apply only when the revenue source for the cost of the planning, design, renovation, erection,

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remodeling, demolition, or construction of the buildings and facilities, or improvements thereto, does not include state-appropriated funds. The board of regents does not have the power to enter into any contract that binds the board of regents to pay out any sum of money in excess of the amount provided for said purpose. The requirements of chapters 39.08, 39.12, and 60.28 RCW apply to work completed under this authority. If the board of regents chooses to exercise the authority granted under this chapter, no other statutory bidding or procurement requirements apply, including those in chapter 39.10 RCW and RCW 39.04.155.

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- (2) Whenever the revenue source for a public works project does not include state-appropriated funds, Washington State University may, before asking for bids, require from any person, firm, company, or corporation, interested in bidding, answers to questions contained in a standard form of questionnaire, including a complete statement of the financial ability and experience of the person, firm, company, or corporation and that of any proposed subcontractor. The completed questionnaire shall be sworn to before a notary public or other person authorized to take acknowledgment of deeds, and shall be submitted at such time as Washington State University may require. Washington State University is not satisfied with the sufficiency of the answers contained in a completed questionnaire or whenever Washington State University determines that the person, firm, company, corporation, or subcontractor does not meet all of the requirements in this section, that person, firm, corporation, or subcontractor shall be disqualified from bidding. In order to be qualified to bid, a person, firm, corporation, or subcontractor shall have:
- 28 (a) Adequate financial resources or the ability to secure such 29 resources;
 - (b) The necessary experience, organization, and technical qualifications to perform the proposed contract;
 - (c) The ability to comply with the required performance schedule taking into consideration all of its existing business commitments;
- 34 (d) A satisfactory record of performance, integrity, judgment, and 35 skills; and
- (e) Otherwise been qualified and eligible to receive an award under applicable laws and rules.

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(3) Washington State University may limit the total number of persons, firms, corporations, or companies requested to submit proposals or bids to a number that ensures that a sufficient number of competitive proposals or bids are received without unnecessarily creating marketing costs for otherwise qualified persons, firms, corporations, or companies. Washington State University, on a project-by-project basis, shall determine the approved proposer or bidders list following the prequalification process.

(4) This section expires June 30, 2011. By January 1, 2011, the Washington State University must provide to the legislature a summary of the projects performed under this section. The summary will include the project cost, a description of the contracting method used, and the contractors performing the work.

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