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SENATE BILL 6346

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State of Washington

60th Legislature

2008 Regular Session

By Senator Morton

Read first time 01/15/08. Referred to Committee on Water, Energy & Telecommunications.

1 AN ACT Relating to the worth of materials utilized for work  
2 performed under prudent utility management; and amending RCW 54.04.070.

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

4 **Sec. 1.** RCW 54.04.070 and 2002 c 72 s 2 are each amended to read  
5 as follows:

6 Any item, or items of the same kind of materials, equipment, or  
7 supplies purchased, the estimated cost of which is in excess of ten  
8 thousand dollars, exclusive of sales tax shall be by contract:  
9 PROVIDED, That a district may make purchases of the same kind of items  
10 of materials, equipment and supplies not exceeding five thousand  
11 dollars in any calendar month without a contract, purchasing any excess  
12 thereof over five thousand dollars by contract. Any work ordered by a  
13 district commission, the estimated cost of which is in excess of ten  
14 thousand dollars exclusive of sales tax, shall be by contract, except  
15 that a district commission may have its own regularly employed  
16 personnel perform work which is an accepted industry practice under  
17 prudent utility management without a contract. Prudent utility  
18 management means performing work with regularly employed personnel  
19 utilizing material of a worth not exceeding (~~fifty~~) two hundred

1 thousand dollars in value without a contract: PROVIDED, That such  
2 limit on the value of material being utilized in work being performed  
3 by regularly employed personnel shall not include the value of  
4 individual items of equipment purchased or acquired and used as one  
5 unit of a project. Before awarding such a contract, the commission  
6 shall publish a notice once or more in a newspaper of general  
7 circulation in the district at least thirteen days before the last date  
8 upon which bids will be received, inviting sealed proposals for the  
9 work or materials; plans and specifications of which shall at the time  
10 of the publication be on file at the office of the district subject to  
11 public inspection. Any published notice ordering work to be performed  
12 for the district shall be mailed at the time of publication to any  
13 established trade association which files a written request with the  
14 district to receive such notices. The commission may at the same time  
15 and as part of the same notice, invite tenders for the work or  
16 materials upon plans and specifications to be submitted by the bidders.

17 All contract projects equal to or in excess of one hundred thousand  
18 dollars shall be let by competitive bidding unless the public utility  
19 district lets contracts using the small works roster process under RCW  
20 39.04.155.

21 Whenever equipment or materials required by a district are held by  
22 a governmental agency and are available for sale but such agency is  
23 unwilling to submit a proposal, the commission may ascertain the price  
24 of such items and file a statement of such price supported by the sworn  
25 affidavit of one member of the commission and may consider such price  
26 as a bid without a deposit or bond.

27 The commission may waive the competitive bidding requirements of  
28 this section pursuant to RCW 39.04.280 if an exemption contained within  
29 that section applies to the purchase or public work.

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