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SENATE BILL 6636

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State of Washington                      60th Legislature                      2008 Regular Session

By Senators Fairley, Benton, McDermott, and Kline

Read first time 01/21/08.      Referred to Committee on Government Operations & Elections.

1            AN ACT Relating to increasing estimated cost minimums required on  
2 water-sewer district contracts for materials and work; and reenacting  
3 and amending RCW 57.08.050.

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

5            **Sec. 1.** RCW 57.08.050 and 2003 c 145 s 1 and 2003 c 60 s 1 are  
6 each reenacted and amended to read as follows:

7            (1) All work ordered, the estimated cost of which is in excess of  
8 ~~((ten))~~ twenty-five thousand dollars, shall be let by contract and  
9 competitive bidding. Before awarding any such contract the board of  
10 commissioners shall publish a notice in a newspaper of general  
11 circulation where the district is located at least once thirteen days  
12 before the last date upon which bids will be received, inviting sealed  
13 proposals for such work, plans and specifications which must at the  
14 time of publication of such notice be on file in the office of the  
15 board of commissioners subject to the public inspection. The notice  
16 shall state generally the work to be done and shall call for proposals  
17 for doing the same to be sealed and filed with the board of  
18 commissioners on or before the day and hour named therein.

1 Each bid shall be accompanied by a certified or cashier's check or  
2 postal money order payable to the order of the county treasurer for a  
3 sum not less than five percent of the amount of the bid, or accompanied  
4 by a bid bond in an amount not less than five percent of the bid with  
5 a corporate surety licensed to do business in the state, conditioned  
6 that the bidder will pay the district as liquidated damages the amount  
7 specified in the bond, unless the bidder enters into a contract in  
8 accordance with the bidder's bid, and no bid shall be considered unless  
9 accompanied by such check, cash or bid bond. At the time and place  
10 named such bids shall be publicly opened and read and the board of  
11 commissioners shall proceed to canvass the bids and may let such  
12 contract to the lowest responsible bidder upon plans and specifications  
13 on file or to the best bidder submitting the bidder's own plans and  
14 specifications. The board of commissioners may reject all bids for  
15 good cause and readvertise and in such case all checks, cash or bid  
16 bonds shall be returned to the bidders. If the contract is let, then  
17 all checks, cash, or bid bonds shall be returned to the bidders, except  
18 that of the successful bidder, which shall be retained until a contract  
19 shall be entered into for doing the work, and a bond to perform such  
20 work furnished with sureties satisfactory to the board of commissioners  
21 in the full amount of the contract price between the bidder and the  
22 commission in accordance with the bid. If the bidder fails to enter  
23 into the contract in accordance with the bid and furnish the bond  
24 within ten days from the date at which the bidder is notified that the  
25 bidder is the successful bidder, the check, cash, or bid bonds and the  
26 amount thereof shall be forfeited to the district. If the bidder fails  
27 to enter into a contract in accordance with the bidder's bid, and the  
28 board of commissioners deems it necessary to take legal action to  
29 collect on any bid bond required by this section, then the district  
30 shall be entitled to collect from the bidder any legal expenses,  
31 including reasonable attorneys' fees occasioned thereby. A low bidder  
32 who claims error and fails to enter into a contract is prohibited from  
33 bidding on the same project if a second or subsequent call for bids is  
34 made for the project.

35 (2) As an alternative to requirements under subsection (1) of this  
36 section, a water-sewer district may let contracts using the small works  
37 roster process under RCW 39.04.155.

1           (3) Any purchase of materials, supplies, or equipment, with an  
2 estimated cost in excess of (~~ten~~) twenty-five thousand dollars, shall  
3 be by contract. Any purchase of materials, supplies, or equipment,  
4 with an estimated cost of less than fifty thousand dollars shall be  
5 made using the process provided in RCW 39.04.190. Any purchase of  
6 materials, supplies, or equipment with an estimated cost of fifty  
7 thousand dollars or more shall be made by competitive bidding following  
8 the procedure for letting contracts for projects under subsection (1)  
9 of this section.

10           (4) As an alternative to requirements under subsection (3) of this  
11 section, a water-sewer district may let contracts for purchase of  
12 materials, supplies, or equipment with the suppliers designated on  
13 current state agency, county, city, or town purchasing rosters for the  
14 materials, supplies, or equipment, when the roster has been established  
15 in accordance with the competitive bidding law for purchases applicable  
16 to the state agency, county, city, or town. The price and terms for  
17 purchases shall be as described on the applicable roster.

18           (5) The board may waive the competitive bidding requirements of  
19 this section pursuant to RCW 39.04.280 if an exemption contained within  
20 that section applies to the purchase or public work.

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