S-3625.1

SENATE BILL 6214

State of Washington 64th Legislature 2016 Regular Session

By Senators Pearson and Takko

Read first time 01/13/16. Referred to Committee on Government Operations & Security.

1 AN ACT Relating to public hospital district contracts for 2 material and work; and amending RCW 70.44.140.

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

4 **Sec. 1.** RCW 70.44.140 and 2009 c 229 s 12 are each amended to 5 read as follows:

6 (1) All materials purchased and work ordered, the estimated cost 7 of which is in excess of seventy-five thousand dollars, shall be by contract. Before awarding any such contract, the commission shall 8 publish a notice at least thirteen days before the last date upon 9 10 which bids will be received, inviting sealed proposals for such work. 11 The plans and specifications must at the time of the publication of such notice be on file at the office of the public hospital district, 12 subject to public inspection: PROVIDED, HOWEVER, That the commission 13 14 may at the same time, and as part of the same notice, invite tenders for the work or materials upon plans and specifications to be 15 16 submitted by bidders. The notice shall state generally the work to be 17 done, and shall call for proposals for doing the same, to be sealed and filed with the commission on or before the day and hour named 18 therein. Each bid shall be accompanied by bid proposal security in 19 the form of a certified check, cashier's check, postal money order, 20 21 or surety bond made payable to the order of the commission, for a sum

not less than five percent of the amount of the bid, and no bid shall 1 be considered unless accompanied by such bid proposal security. At 2 the time and place named, such bids shall be publicly opened and 3 read, and the commission shall proceed to canvass the bids, and may 4 let such contract to the lowest responsible bidder upon plans and 5 6 specifications on file, or to the best bidder submitting his or her own plans and specifications((+ PROVIDED, HOWEVER, That no contract 7 shall be let in excess of the estimated cost of the materials or 8 work, or)). If, in the opinion of the commission, all bids are 9 unsatisfactory, they may reject all of them and readvertise, and in 10 11 such case all bid proposal security shall be returned to the bidders. If the contract is let, then all bid proposal security shall be 12 returned to the bidders, except that of the successful bidder, which 13 14 is retained until a contract shall be entered into for the purchase of such materials for doing such work, and a bond to perform such 15 16 work furnished, with sureties satisfactory to the commission, in an 17 amount to be fixed by the commission, not less than twenty-five 18 percent of contract price in any case, between the bidder and commission, in accordance with the bid. If such bidder fails to enter 19 into the contract in accordance with the bid and furnish such bond 20 21 within ten days from the date at which the bidder is notified that he or she is the successful bidder, the bid proposal security and the 22 amount thereof shall be forfeited to the public hospital district. A 23 low bidder who claims error and fails to enter into a contract is 24 25 prohibited from bidding on the same project if a second or subsequent 26 call for bids is made for the project.

(2) As an alternative to the requirements of subsection (1) of
this section, a public hospital district may let contracts using the
small works roster process under RCW 39.04.155.

30 (3) Any purchases with an estimated cost of up to fifteen 31 thousand dollars may be made using the process provided in RCW 32 39.04.190.

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

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