SENATE BILL 6072

State of Washington	65th Legislature	2018 Regular Session
By Senator Takko		
Prefiled 01/04/18.		

1 AN ACT Relating to clarifying the authority and procedures for 2 unit priced contracting by public port districts; amending RCW 3 53.08.120; and creating a new section.

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

5 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that unit priced 6 contracting is a decades old, proven practice used at ports for 7 competitively bid maintenance and repair work that is common but 8 unpredictable in its timing and scope. Unit priced contracting is an 9 efficient mechanism to maintain essential services to port customers, 10 often on short notice or in emergency situations.

11 (2) The legislature also finds that unit priced contracting 12 ensures that necessary work is performed safely and at a competitive 13 rate by qualified contractors, and also saves public money because of 14 additional costs that would be incurred by bidding each work order 15 separately.

16 (3) The legislature also finds that, in order to avoid litigation 17 and audit risk, statutory clarification is needed regarding the 18 authority for port districts to engage in unit priced contracting.

19 Sec. 2. RCW 53.08.120 and 2009 c 74 s 2 are each amended to read 20 as follows: 1 (1) All material and work required by a port district not meeting 2 the definition of public work in RCW 39.04.010(4) may be procured in 3 the open market or by contract and all work ordered may be done by 4 contract or day labor.

(2)(a) All such contracts for work meeting the definition of 5 6 "public work" in RCW 39.04.010(4), the estimated cost of which exceeds three hundred thousand dollars, shall be awarded using a 7 competitive bid process. The contract must be awarded at public 8 bidding upon notice published in a newspaper of general circulation 9 in the district at least thirteen days before the last date upon 10 which bids will be received, calling for bids upon the work, plans 11 12 and specifications for which shall then be on file in the office of the commission for public inspection. The same notice may call for 13 bids on such work or material based upon plans and specifications 14 submitted by the bidder. The competitive bidding requirements for 15 16 purchases or public works may be waived pursuant to RCW 39.04.280 if 17 an exemption contained within that section applies to the purchase or 18 public work.

(b) For all contracts related to work meeting the definition of "public work" in RCW 39.04.010(4) that are estimated at three hundred thousand dollars or less, a port district may let contracts using the small works roster process under RCW 39.04.155 in lieu of advertising for bids. Whenever possible, the managing official shall invite at least one proposal from a minority contractor who shall otherwise qualify under this section.

When awarding such a contract for work, when utilizing proposals from the small works roster, the managing official shall give weight to the contractor submitting the lowest and best proposal, and whenever it would not violate the public interest, such contracts shall be distributed equally among contractors, including minority contractors, on the small works roster.

32 (3)(a) A port district may procure public works with a unit 33 priced contract under this section or RCW 39.04.010(2) for the 34 purpose of completing anticipated types of work based on hourly rates 35 or unit pricing for one or more categories of work or trades.

36 (b) For the purposes of this section, unit priced contract means 37 a competitively bid contract in which public works are anticipated on 38 a recurring basis to meet the business or operational needs of a port 39 district, under which the contractor agrees to a fixed period

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1 indefinite quantity delivery of work, at a defined unit price, for 2 each category of work. (c) Unit priced contracts must be executed for an initial 3 contract term not to exceed three years, with the port district 4 having the option of extending or renewing the unit priced contract 5 б for one additional year. (d) Invitations for unit priced bids shall include, for purposes 7 of the bid evaluation, estimated quantities of the anticipated types 8 of work or trades, and specify how the port district will issue or 9 release work assignments, work orders, or task authorizations 10 pursuant to a unit priced contract for projects, tasks, or other work 11 12 based on the hourly rates or unit prices bid by the contractor. Contracts must be awarded to the lowest responsible bidder as per RCW 13 14 39.04.010. (e) Unit priced contractors shall pay prevailing wages for all 15 work that would otherwise be subject to the requirements of chapter 16 17 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the contracted rates in effect at the time the 18 individual work order is issued. Unit priced contracts shall have 19 prevailing wage rates updated annually. Intents and affidavits for 20 prevailing wages paid shall be submitted annually for all work 21 completed within the previous twelve-month period of the unit priced 22

23 <u>contract.</u>

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