CHAPTER 399
[Substitute House Bill No. 1568]
LOCAL GOVERNMENT SOLID WASTE FACILITIES AND SERVICES
PROCUREMENT

AN ACT Relating to local government solid waste facilities and services procurement; amending RCW 35.21.120, 35.21.152, 35.21.154, 35.22.625, 35.23.351, 35.92.020, 35.92.024, 36.32.265, 36.58.040, 36.58.090, and 39.04.175; recodifying RCW 35.92.024; and repealing RCW 35.23.353 and 35.92.022.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 35.21.120, chapter 7, Laws of 1965 as amended by section 18, chapter 282, Laws of 1986 and RCW 35.21.120 are each amended to read as follows:

((Every)) A city or town may by ordinance provide for the establishment of a system ((of garbage collection and disposal)) or systems of solid waste handling for the entire city or town or for portions thereof((and)). A city or town may provide for solid waste handling by or under the direction of officials and employees of the city or town or may award contracts for ((garbage collection and disposal or provide for it under the direction of officials and employees of the city or town)) any service related to solid waste handling including contracts entered into under RCW 35.21.152. Contracts for solid waste handling may provide that a city or town ((pay)) provide for a minimum periodic fee or other method of compensation in consideration of the operational availability of a solid waste handling system ((or)), plant, site, or other facility ((of)), or the amount of solid waste actually handled during all or any part of the contract period. ((The....)) When a minimum level of solid waste is specified in a contract for solid waste handling, there shall be a specific allocation of financial responsibility ((in cases where)) in the event the amount of solid waste handled ((during the contract period)) falls below the minimum level provided in the contract.

As used in this chapter, the terms "solid waste" and "solid waste handling" shall be as defined in RCW 70.95.030.

Sec. 2. Section 1, chapter 208, Laws of 1975 1st ex. sess. as amended by section 1, chapter 164, Laws of 1977 ex. sess. and RCW 35.21.152 are each amended to read as follows:

A city or town may construct, lease, condemn, purchase, acquire, add to, alter, and extend systems ((and)), plants, sites, or other facilities for ((the collection and disposal of)) solid waste ((and for its processing and conversion into other valuable or useful products with)) handling, and shall have full jurisdiction and authority to manage, regulate, maintain, utilize, operate ((and)), control ((such)), and establish the rates and charges for
those solid waste handling systems (and plants, sites, or other facilities owned or operated by the city or town. A city or town may enter into agreements (providing for the maintenance and operation of systems and plants for the processing and conversion of solid waste and for the sale of said products under such terms and conditions as may be determined by the legislative authority of said city or town. PROVIDED HOWEVER; That no such solid waste processing and conversion plant now in existence or hereafter constructed may be condemned. PROVIDED FURTHER; That agreements relating to the sale of solid materials recovered during the processing of solid waste shall take place only after the receipt of competitive written bids by such city or town. AND PROVIDED FURTHER; That all documentary material of any nature associated with the negotiation and formulation of agreement terms and conditions shall become matters of public record as it applies to:

(a) The maintenance and operation of systems and plants for the processing and conversion of solid waste;

(b) The sale of products resulting from such processing and conversion; and

(c) Any materials recovered during the processing of solid waste.

Agreements relating to systems and plants for the processing and conversion of solid wastes to useful products and agreements relating to sale of such products shall be in compliance with RCW 35.21.120. Any agreement for the sale of solid materials recovered during the processing of solid waste shall be entered into only after public advertisement and evaluation of competitive written bids) with public or private parties to: (1) Construct, lease, purchase, acquire, manage, maintain, utilize, or operate publicly or privately owned or operated solid waste handling systems, plants, sites, or other facilities; (2) establish rates and charges for those systems, plants, sites, or other facilities; (3) designate particular publicly or privately owned or operated systems, plants, sites, or other facilities as disposal sites; and (4) sell the materials or products of those systems, plants, or other facilities. Any agreement entered into shall be for such term and under such conditions as may be determined by the legislative authority of the city or town.

Sec. 3. Section 3, chapter 208, Laws of 1975 1st ex. sess. and RCW 35.21.154 are each amended to read as follows:

Nothing in RCW 35.21.152 ((and 35.92.022)) will relieve a city or town of its obligations to comply with the requirements of chapter 70.95 RCW.

Sec. 4. Section 8, chapter 436, Laws of 1987 and RCW 35.22.625 are each amended to read as follows:

RCW 35.22.620 does not apply to ((agreements entered into)) the selection of persons or entities to construct or develop water pollution control facilities or to provide water pollution control services under ((authority of chapter 70.150 RCW if there is compliance with the procurement procedure
under)) RCW 70.150.040 or the selection of persons or entities to construct or develop solid waste handling facilities or to provide solid waste handling services under RCW 35.92.024 as recodified by section 12 of this act.

Sec. 5. Section 10, chapter 244, Laws of 1986 and RCW 35.23.351 are each amended to read as follows:

RCW 35.23.352 does not apply to ((agreements entered into)) the selection of persons or entities to construct or develop water pollution control facilities or to provide water pollution control services under ((authority of chapter 70.150 RCW provided there is compliance with the procurement procedure under)) RCW 70.150.040 or the selection of persons or entities to construct or develop solid waste handling facilities or to provide solid waste handling services under RCW 35.92.024 as recodified by section 12 of this act.

Sec. 6. Section 35.92.020, chapter 7, Laws of 1965 as amended by section 5, chapter 445, Laws of 1985 and RCW 35.92.020 are each amended to read as follows:

A city or town may ((also)) construct, condemn and purchase, purchase, acquire, add to, alter, maintain, and operate systems, plants, sites, or other facilities of sewerage, ((and systems and plants for garbage and refuse collection and disposal, with)) or solid waste handling as defined by RCW 70.95.030, and shall have full authority to manage, regulate, operate, ((and)) control ((them)), and to fix the price of service ((thereof,)) of those systems, plants, sites, or other facilities within and without the limits of the city or town((. PROVIDED, That)). The rates charged ((must)) shall be uniform for the same class of customers or service. In classifying customers served or service furnished by ((such)) a system or systems of sewerage, the legislative authority of the city or town ((governing body)) may in its discretion consider any or all of the following factors: The difference in cost of service to ((the various)) customers; the location of ((the various)) customers within and without the city or town; the difference in cost of maintenance, operation, repair, and replacement of the ((various)) parts of the system; the different character of the service furnished ((various)) customers; the quantity and quality of the sewage delivered and the time of its delivery; capital contributions made to the systems, plants, sites, or other facilities, including but not limited to, assessments; and any other ((matter which)) factors that present a reasonable difference as a ground for distinction.

Sec. 7. Section 17, chapter 282, Laws of 1986 and RCW 35.92.024 are each amended to read as follows:

(1) Notwithstanding the provisions of any city charter ((of any city)), or any law to the contrary, and in addition to any other authority provided by law, the legislative authority of a city or town may contract with one or
more ((private)) vendors for one or more of the design, construction, or operation ((function)) of, or other service related to, the systems ((and)), plants, sites, or other facilities for solid waste handling((, as defined in RCW 70.95.030 and)) in accordance with the procedures set forth in ((subsections 2 and 3 of)) this section. ((Contracts shall be for facilities that are in substantial compliance with the solid waste management plans prepared pursuant to chapter 70.95 RCW. Such systems and plants may be )

Solid waste handling systems, plants, sites, or other facilities constructed, purchased, acquired, leased, added to, altered, extended, maintained, managed, utilized, or operated pursuant to this section, RCW 35.21.120 and 35.21.152, whether publicly or privately owned, shall be in substantial compliance with the solid waste management plan applicable to the city or town adopted pursuant to chapter 70.95 RCW. Agreements relating to such solid waste handling systems, plants, sites, or other facilities may be for such term and may contain such covenants, conditions, and remedies as the legislative authority of a city or town may deem necessary or appropriate. When a contract for design services is entered into separately from other services permitted under this section, procurement shall be in accordance with chapter 39.80 RCW.

(2) If the legislative authority of the city or town decides to proceed with the consideration of qualifications or proposals for services from vendors, the city or town shall publish notice of its requirements and request submission of qualifications ((for the design, construction, and operation of solid waste handling systems and plants)) statements or proposals. The notice shall be published in the official newspaper of the city or town at least once a week for two weeks not less than sixty days before the final date for the submission of qualifications statements or proposals. The notice shall ((a)) state in summary form((;)) (a) the general scope and nature of the ((system and plant or work for which the services are required)) design, construction, operation, or other service, (b) the name and address of a representative of the city or town who can provide further details, ((and)) (c) the final date for the submission of qualifications statements or proposals, (d) an estimated schedule for the consideration of qualifications, the selection of vendors, and the negotiation of a contract or contracts for services, (e) the location at which a copy of any request for qualifications or request for proposals will be made available, and (f) the criteria established by the legislative authority to select a vendor or vendors, which may include but shall not be limited to the vendor's prior experience, including design, construction, or operation of other similar facilities; respondent's management capability, schedule availability and financial resources; cost of the services, nature of facility design proposed by the vendor; system reliability; performance standards required for the facilities; compatibility with existing
service facilities operated by the public body or other providers of service to the public; project performance guarantees; penalty and other enforcement provisions; environmental protection measures to be used; consistency with the applicable comprehensive solid waste management plan; and allocation of project risks.

(3) If the legislative authority of the city or town decides to proceed with the (construction of a resource recovery facility or one or more of the services to be provided for such a facility) consideration of qualifications or proposals, it may designate a representative to evaluate the vendors who submitted qualifications statements or proposals and conduct discussions regarding qualifications or proposals with one or more vendors. The legislative authority or representative may request submission of qualifications statements and may later request more detailed proposals from one or more vendors who have submitted qualifications statements, or may request detailed proposals without having first received and evaluated qualifications statements. The legislative authority or its representative shall evaluate the qualifications or proposals, as applicable. If two or more vendors submit qualifications or proposals that meet the criteria established by the legislative authority of the city or town, discussions and interviews shall be held with at least two vendors. Any revisions to a request for qualifications or request for proposals shall be made available to all vendors then under consideration by the city or town and shall be made available to any other person who has requested receipt of that information.

(4) Based on criteria established by the legislative authority of the city or town, the representative ((of the legislative authority)) shall recommend to the legislative authority a vendor ((based upon criteria established by the city or town, which shall not be determined solely by price but by all terms of the contract, who is)) or vendors that are initially determined to be the best qualified to provide one or more of the ((services required for)) design, construction or operation of, or other service related to, the proposed project or services. ((If two or more vendors submit qualifications, at least two vendors shall be interviewed.)) The legislative authority may select one or more qualified vendors ((may be selected to provide)) for one or more of the design, construction, or operation of, or other service related to, the proposed project or services.

(5) The legislative authority or its representative ((shall)) may attempt to negotiate a contract with the ((first)) vendor or vendors selected for one or more of the design, construction, ((design,)) or operation ((portions)) of, or other service related to, the proposed project ((at-a-price-and)) or services on ((other)) terms that the legislative authority determines to be fair and reasonable and in the best interest of the city or town. ((Only the legislative authority may approve and sign the contract. PROVIDED, That where a contract for design is entered into separately from other services permitted under this section, procurement shall be in accord with chapter [2165]})
39.80 RCW) If the legislative authority or its representative is unable to negotiate such a contract with ((the first vendor)) any one or more of the vendors first selected on terms that it determines to be fair and reasonable and in the best interest of the city or town, negotiations with ((that vendor)) any one or more of the vendors shall be ((formally)) terminated or suspended and ((other)) another qualified vendor or vendors may be selected in accordance with the procedures set forth in ((subsections (2) and (3) of)) this section. If the legislative authority decides to continue the process of selection, negotiations shall continue with a qualified vendor or vendors in accordance with this section at the sole discretion of the legislative authority until an agreement is reached with one or more qualified vendors, or the process is terminated by the legislative authority. The process may be repeated until an agreement is reached.

(((-4))) (6) Prior to entering into ((such)) a contract with a vendor, the legislative authority of the city or town ((must have made)) shall make written findings, after holding a public hearing on the proposal, that it is in the public interest to enter into the contract ((and)), that the contract is financially sound, and that it is advantageous for the city or town to use this method for awarding contracts compared to other methods.

(((5))) (7) Each contract shall include a project performance bond or bonds or other security by the vendor ((which)) that in the judgment of the legislative authority of the city or town is sufficient to secure adequate performance by the vendor.

(((6))) (8) The provisions of chapters 39.12, 39.19, and 39.25 RCW shall apply to a contract entered into under this section to the same extent as if the systems and plants were owned by a public body.

(9) The vendor selection process permitted by this section shall be supplemental to and shall not be construed as a repeal of or limitation on any other authority granted by law.

The alternative selection process provided by this section may not be used in the selection of a person or entity to construct a publicly owned facility for the storage or transfer of solid waste or solid waste handling equipment unless the facility is either (a) privately operated pursuant to a contract greater than five years, or (b) an integral part of a solid waste processing facility located on the same site. Instead, the applicable provisions of RCW 35.22.620, and 35.23.352, and chapters 39.04 and 39.30 RCW shall be followed.

Sec. 8. Section 9, chapter 436, Laws of 1987 and RCW 36.32.265 are each amended to read as follows:

RCW 36.32.240, 36.32.250, and 36.32.260 do not apply to ((agreements entered into)) the selection of persons or entities to construct or develop water pollution control facilities or to provide water pollution control
services under ((the authority of chapter 70.150 RCW if there is compliance with the procurement procedure under)) RCW 70.150.040 or the selection of persons or entities to construct or develop solid waste handling facilities or to provide solid waste handling services under RCW 36.58.090.

Sec. 9. Section 2, chapter 58, Laws of 1975-'76 2nd ex. sess. as amended by section 20, chapter 282, Laws of 1986 and RCW 36.58.040 are each amended to read as follows:

The legislative authority of ((each)) a county may by ordinance provide for the establishment of a system or systems of solid waste ((disposal)) handling for all ((the)) unincorporated areas of the county or for portions thereof. ((Each)) A county may designate a disposal site or sites for all solid waste collected in the unincorporated areas pursuant to the provisions of a comprehensive solid waste plan adopted pursuant to chapter 70.95 RCW((. PROVIDED. That)). However for any solid waste collected by a private hauler operating ((pursuant to)) under a certificate granted by the Washington utilities and transportation commission under the provisions of chapter 81.77 RCW and which certificate is for collection in a geographic area lying in more than one county, such designation of disposal sites shall be pursuant to an interlocal agreement between the involved counties.

((Such systems may also provide for the processing and conversion of solid wastes into other valuable or useful products with full jurisdiction and authority to)) A county may construct, lease, purchase, acquire, add to, alter, or extend solid waste handling systems, plants, sites, or other facilities and shall have full jurisdiction and authority to manage, regulate, maintain, utilize, operate, ((and)) control ((such system and)), and establish the rates and charges for those solid waste handling systems, plants, ((and to)) sites, or other facilities. A county may enter into agreements with public or private parties ((providing for the construction,)) to: (1) Construct, purchase, ((acquisition)) acquire, lease, ((maintenance, and operation of)) add to, alter, extend, maintain, manage, utilize, or operate publicly or privately owned or operated solid waste handling systems ((and)), plants ((for the construction and conversion of)), sites, or other facilities; (2) establish rates and charges for those systems, plants, sites, or other facilities; (3) designate particular publicly or privately owned or operated systems, plants, sites, or other facilities as disposal sites; (4) process, treat, or convert solid waste((s)) into other valuable or useful materials or products; and ((for the sale of said)) (5) sell the material or products of those systems, plants, or other facilities. ((Contracts shall be for facilities that are in substantial compliance with the solid waste management plans prepared pursuant to chapter 70.95 RCW:))

The legislative authority of a county may award contracts for solid waste handling((, and such contracts may)) that provide that a county ((pay)) provide for a minimum periodic fee or other method of compensation in consideration of the operational availability of ((a)) those solid waste
handling systems ((or)), plants, sites, or other facilities at a specified minimum level, without regard to the ownership of the systems ((or)), plants, sites or other facilities, or the amount of solid waste actually handled during all or any part of the ((contractual period. There shall be included in the)) contract. When a minimum level of solid waste is specified in a contract entered into under this section, there shall be a specific allocation of financial responsibility ((in cases where)) in the event the amount of solid waste handled ((during the contract period)) falls below the minimum level provided in the contract. Solid waste handling systems, plants, sites, or other facilities constructed, purchased, acquired, leased, added to, altered, extended, maintained, managed, utilized, or operated pursuant to this section, whether publicly or privately owned, shall be in substantial compliance with the solid waste management plan applicable to the county adopted pursuant to chapter 70.95 RCW. Agreements relating to such solid waste handling systems, plans, sites, or other facilities may be for such term and may contain such covenants, conditions, and remedies as the legislative authority of the county may deem necessary or appropriate.

As used in this chapter, the terms "solid waste" and "solid waste handling" shall be as defined in RCW 70.95.030.

Nothing in this section shall be construed to authorize the operation of a solid waste collection system by counties or to authorize counties to affect the authority of the utilities and transportation commission under RCW 81.77.020.

The alternative selection process provided by this section may not be used in the selection of a person or entity to construct a publicly owned facility for the storage or transfer of solid waste or solid waste handling equipment unless the facility is either (a) privately operated pursuant to a contract greater than five years, or (b) an integral part of a solid waste processing facility located on the same site. Instead, the applicable provisions of RCW 36.32.250, and chapters 39.04 and 39.30 RCW shall be followed.

Sec. 10. Section 19, chapter 282, Laws of 1986 and RCW 36.58.090 are each amended to read as follows:

(1) Notwithstanding the provisions of any county charter ((of any county)) or any law to the contrary, and in addition to any other authority provided by law, the legislative authority of a county may contract with one or more ((private)) vendors for one or more of the design, construction, or operation ((function)) of, or other service related to, the solid waste handling systems ((and)), plants ((for solid waste handling, as defined in RCW 70.95.030 and)), sites, or other facilities in accordance with the procedures set forth in ((subsections (2) and (3) of)) this section. ((Such systems and plants may be owned, leased, and/or operated in whole or in part by the county, or owned, leased, and/or operated in whole or in part by the private vendor:)) When a contract for design services is entered into separately
from other services permitted under this section, procurement shall be in accord with chapter 39.80 RCW. For the purpose of this chapter, the term "legislative authority" shall mean the board of county commissioners or, in the case of a home rule charter county, the official, officials, or public body designated by the charter to perform the functions authorized therein.

(2) If the legislative authority of the county decides to proceed with the consideration of qualifications or proposals for services from vendors, the county shall publish notice of its requirements and request submission of qualifications (for the design, construction, and operation of solid waste handling systems and plants) statements or proposals. The notice shall be published in the official newspaper of the county at least once a week for two weeks not less than sixty days before the final date for the submission of qualifications statements or proposals. The notice shall state in summary form (a) the general scope and nature of the (design, construction, operation, or other service, (b) the name and address of a representative of the county who can provide further details, (and)) (c) the final date for the submission of qualifications statements or proposals, (d) an estimated schedule for the consideration of qualifications, the selection of vendors, and the negotiation of a contract or contracts for services, (e) the location at which a copy of any request for qualifications or request for proposals will be made available, and (f) the criteria established by the legislative authority to select a vendor or vendors, which may include but shall not be limited to the vendor's prior experience, including design, construction, or operation of other similar facilities; respondent's management capability, schedule availability and financial resources; cost of the services, nature of facility design proposed by the vendor; system reliability; performance standards required for the facilities; compatibility with existing service facilities operated by the public body or other providers of service to the public; project performance guarantees; penalty and other enforcement provisions; environmental protection measures to be used; consistency with the applicable comprehensive solid waste management plan; and allocation of project risks.

(3) If the legislative authority of the county decides to proceed with the (construction of a resource recovery facility or one or more of the services to be provided for such a facility) consideration of qualifications or proposals, it may designate a representative to evaluate the vendors who submitted qualifications statements or proposals and conduct discussions regarding qualifications or proposals with one or more vendors. The legislative authority or representative may request submission of qualifications statements and may later request more detailed proposals from one or more vendors who have submitted qualifications statements, or the representative may request detailed proposals without having first received and evaluated qualifications statements. The representative shall evaluate the qualifications or proposals, as applicable. If two or more vendors submit qualifications or
proposals that meet the criteria established by the legislative authority of
the county, discussions and interviews shall be held with at least two ven-
dors. Any revisions to a request for qualifications or request for proposals
shall be made available to all vendors then under consideration by the city
or town and shall be made available to any other person who has requested
receipt of that information.

(4) Based on criteria established by the legislative authority of the
county, the representative (of the legislative authority) shall recommend
to the legislative authority a vendor (based upon criteria established by the
county, which shall not be determined solely by price but by all terms of the
contract, who is) or vendors that are initially determined to be the best
qualified to provide one or more of the (services required for) design,
construction, or operation of, or other service related to, the proposed
project or services. (If two or more vendors submit qualifications, at least
two vendors shall be interviewed;) The legislative authority may select one
or more qualified vendors (may be interviewed and selected to provide) for
one or more of the design, construction, or operation of, or other service re-
lated to, the proposed project or services.

(5) The legislative authority or its representative (shall) may attempt
to negotiate a contract with the (first) vendor or vendors selected for one
or more of the design, construction, (design,) or operation (portions) of,
or other service related to, the proposed project (at a price and) or ser-
vice on (other) terms that the legislative authority determines to be fair
and reasonable and in the best interest of the county. (Only the legislative
authority may approve and sign the contract; PROVIDED; That where a
contract for design is entered into separately from other services permitted
under this section, procurement shall be in accord with chapter 39.80
ReW.) If the legislative authority or its representative is unable to negoti-
ate such a contract with (the first vendor) any one or more of the vendors
first selected on terms that it determines to be fair and reasonable and in
the best interest of the county, negotiations with (that vendor) any one or
more of the vendors shall be (formally) terminated or suspended and
(other) another qualified vendor or vendors may be selected in accordance
with the procedures set forth (above) in this section. If the legislative au-
thority decides to continue the process of selection, negotiations shall con-
tinue with a qualified vendor or vendors in accordance with this section at
the sole discretion of the legislative authority until an agreement is reached
with one or more qualified vendors, or the process is terminated by the leg-
islative authority. The process may be repeated until an agreement is
reached.

(6) Prior to entering into (such) a contract with a vendor, the
legislative authority of the county (must have made) shall make written
findings, after holding a public hearing on the proposal, that it is in the
public interest to enter into the contract (and) that the contract is financially sound, and that it is advantageous for the county to use this method for awarding contracts compared to other methods.

(5) Each contract shall include a project performance bond or bonds or other security by the vendor (which) that in the judgment of the legislative authority of the county is sufficient to secure adequate performance by the vendor.

(6) The provisions of chapters 39.12, 39.19, and 39.25 RCW shall apply to a contract entered into under this section to the same extent as if the systems and plants were owned by a public body.

(9) The vendor selection process permitted by this section shall be supplemental to and shall not be construed as a repeal of or limitation on any other authority granted by law.

Sec. 11. Section 13, chapter 244, Laws of 1986 and RCW 39.04.175 are each amended to read as follows:

This chapter does not apply to (agreements entered into) the selection of persons or entities to construct or develop water pollution control facilities or to provide water pollution control services under (authority of chapter 70.150 RCW provided there is compliance with the procurement procedure under) RCW 70.150.040 or the selection of persons or entities to construct or develop solid waste handling facilities or to provide solid waste handling services under RCW 35.92.024 as recodified by section 12 of this act or under RCW 36.58.090.

NEW SECTION. Sec. 12. RCW 35.92.024 as amended by this act is recodified as a new section in chapter 35.21 RCW.

NEW SECTION. Sec. 13. The following acts or parts of acts are each repealed:

(1) Section 35.23.353, chapter 7, Laws of 1965, section 3, chapter 120, Laws of 1987 and RCW 35.23.353; and


Passed the House April 18, 1989.
Passed the Senate April 12, 1989.
Approved by the Governor May 13, 1989.
Filed in Office of Secretary of State May 13, 1989.