



Changes to Small Works

E2SB 5268: Efficiency and Equity in Public Works Contracting





Agenda

- Background
- What changed?
- Get ready
- Questions

Public Works

Construction projects paid for by public funds – typically state, local, or district governments

Small Works

Informal efficient contractor selection process for public works \$350,000 or less



Small Works Roster

For solicitation of contractors for small public works projects

- *Statewide roster*
- *Annual advertisement*
- *Contractors can join at any time*
- *Segregated by trade, agency, or geographic region*



Who can use Small Works Roster

- State agencies with public works authority
- Authorized local governments including:
 - Cities, towns, counties
 - School districts
 - Port districts
 - Public utility districts
 - and more!



What changed?

Small Works Contracts

Under \$350,000

- ✓ Agency estimate, does not include sales tax
- ✓ Agencies invite all contractors from the appropriate roster to bid
- ✓ Informal process
- ✓ Award to lowest responsive and responsible bidder

Purpose

1. Administratively efficient
2. Promote small and diverse businesses
3. Maintain labor protections



Key Changes



Creates Small Business Certification



Establishes statewide small works roster



Clarifies language



Standardizes cost thresholds and adds direct contracting



Requires small business utilization plan – each agency creates



Builds in future market updates

Establishes Statewide Roster

Municipal Research & Service Center (MRSC)

- ✓ Creates single sign-up process for businesses
- ✓ Centralizes reporting
 - Add reporting to portal
 - Notifications
 - Documentation
- ✓ Enhances platform
 - Eligibility
 - Identification
 - Outreach



Small Business Certification

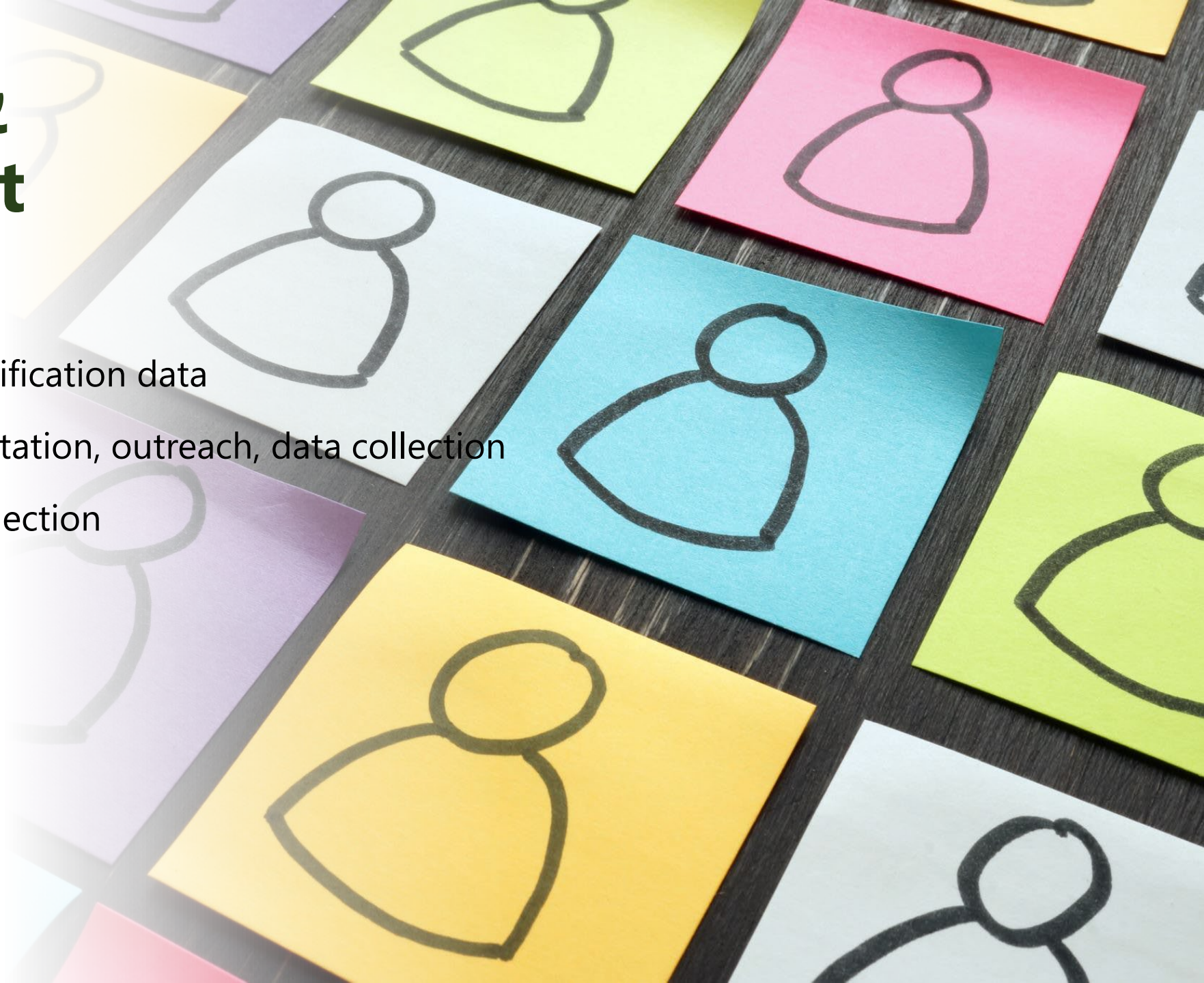
Office of Minority & Women's Business Enterprises

- ✓ Creates a new Public Works Small Business Enterprise (PWSBE) Certification Program
 - Race & gender neutral
 - No additional fees for (state-certified) businesses
 - MBE, WBE, MWBE, CBE, SEDBE
- ✓ Evaluating registration process and requirements
- ✓ Updating Public Works Small Business Certification rules (WAC 326-20-087)



Statewide & Independent Rosters

- Integrate OMWBE certification data
- Follow DES rules on rotation, outreach, data collection
- Demographic data collection
- Annual notice



Adds Direct Contracting option

Under \$150,000

- ✓ **Direct contract:** Agencies may direct contract through negotiation with a contractor from the appropriate roster
- ✓ **Notification:** Agencies must notify all contractors on the roster
- ✓ **Rotation:** Agencies must rotate and not select the same firm repeatedly
- ✓ **Small Business preference:** six or more rule

Six or more rule – Direct Contracting

Under \$150,000

Certified Small Business   Not Certified

No small business
Contract with any



6 or more small
Contract with small



5 or less small
Contract with any



Department of Enterprise Services

- ✓ Updating its Public Works rules (WAC 200-330)
 - Rotation
 - Documentation
 - Contract cap
 - Responsibility criteria
- ✓ Creating bidding templates



Washington State
**DEPARTMENT OF
ENTERPRISE SERVICES**

Department of Labor & Industries

- ✓ Updating prevailing wages rules for contracts under \$2,500 (WAC 296-127-050)
- ✓ Providing education and technical assistance to public works firms



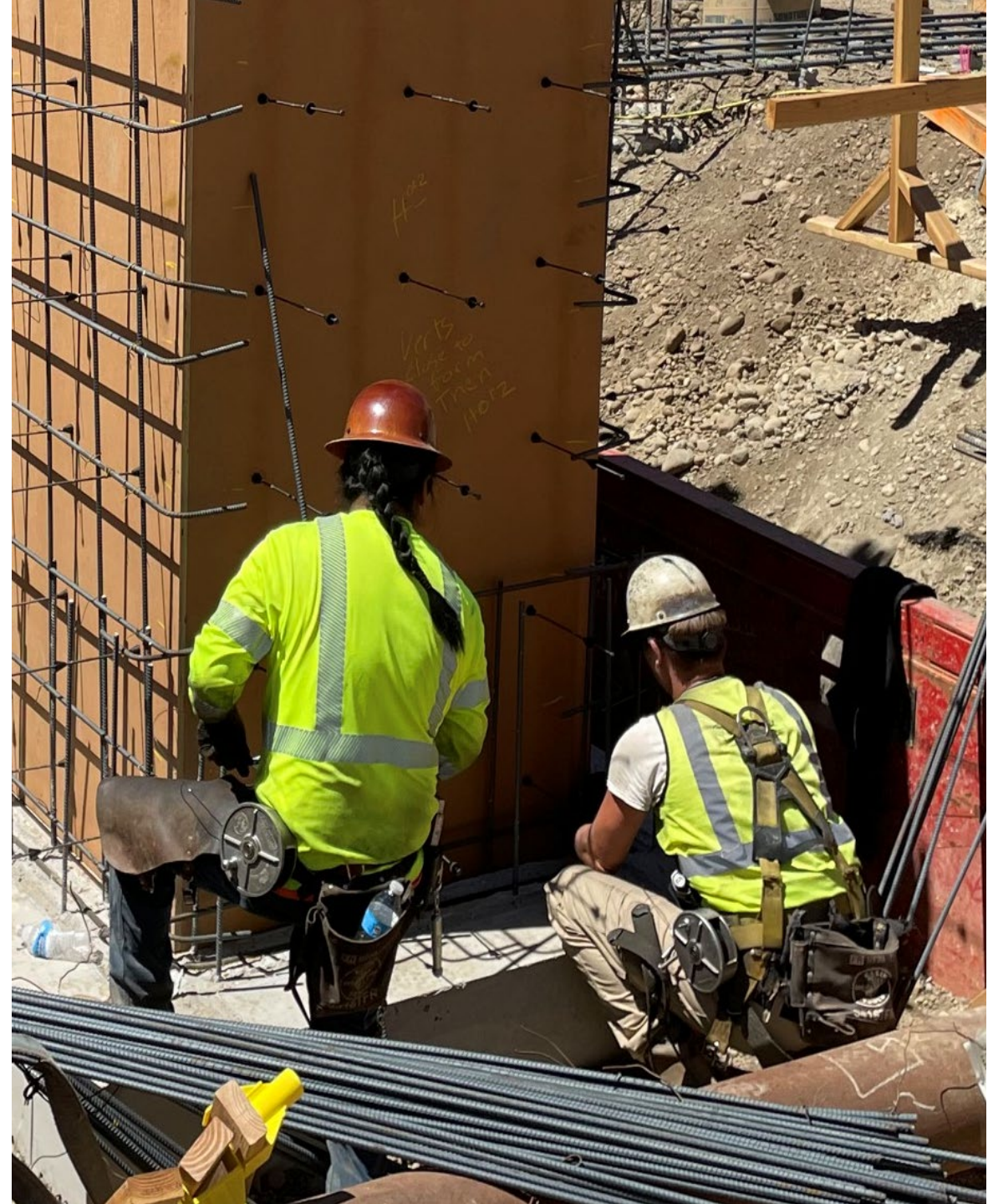
Relieving financial barriers

- Helps build credit history
- **<\$5,000:** No retainage or performance bonds required.
- **Optional:** Agency may waive or reduce retainage for small works projects \$5,000 or more. Must be outlined in the bid document and agency take on liability.

Get ready

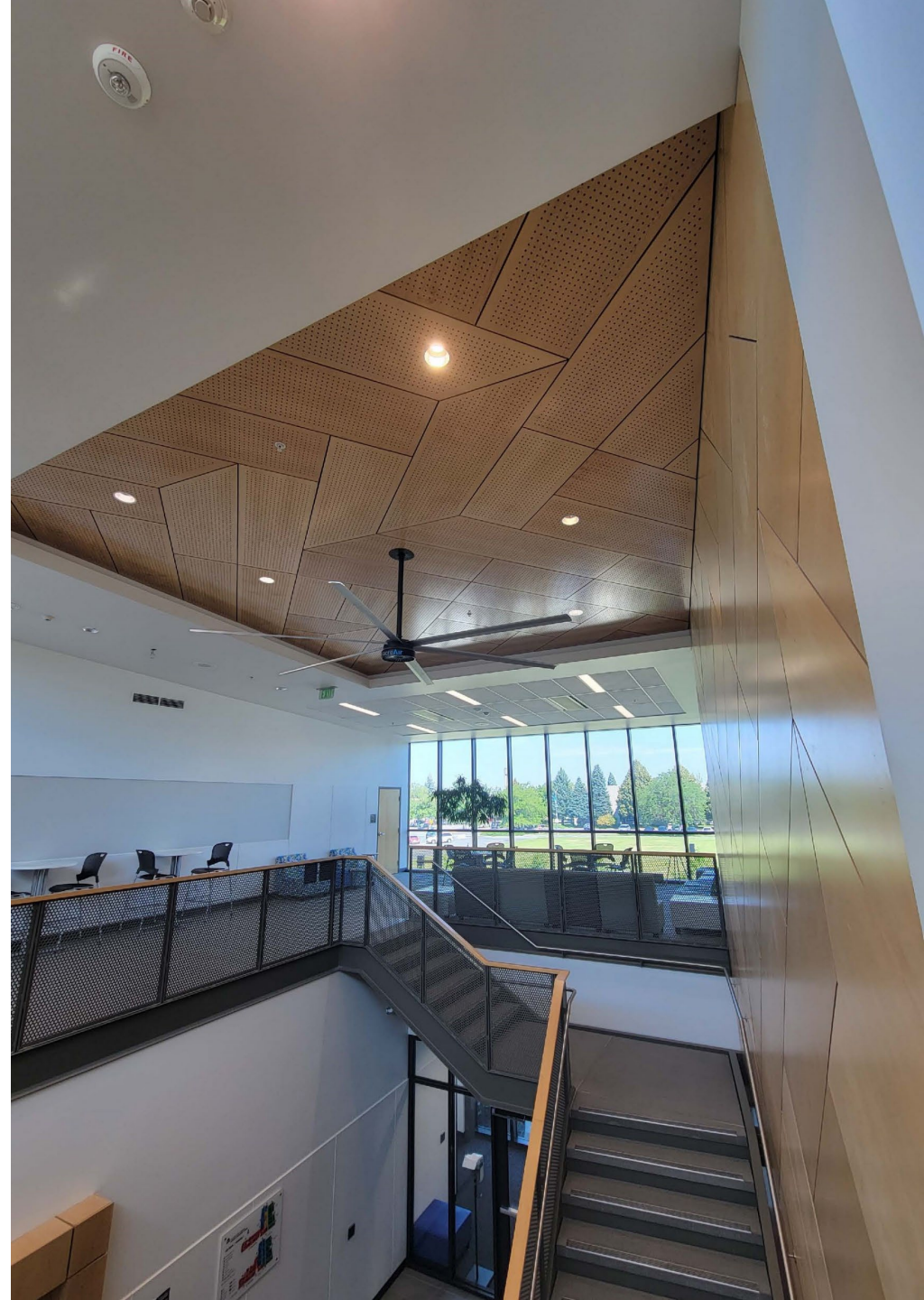
Contractors

- ✔ Register in WEBS
- ✔ Certify with OMWBE
- ✔ Apply for statewide roster with MRSC
- ✔ Subscribe for updates



Agencies

- ✓ Attend or request a training
- ✓ Sign up for the statewide roster (if desired)
- ✓ Subscribe for updates



Questions

Thank you!



bit.ly/SmallWorksChanges