

To: Advisory Commission on Intergovernmental Relations
From: North Dakota League of Cities
Date: September 9, 2010
Re: Bill Draft 10063.0100

PROPOSED AMENDMENT TO BILL DRAFT NO. 10063.0100

Page 2, replace lines 7 through 11 with

“Public improvement construction threshold. If the estimated cost for the construction of a public improvement is in excess of one hundred thousand dollars, bids, plans and specifications are required as provided in this chapter.”

Renumber accordingly

1 A BILL for an Act to create and enact section 48-01.2-02.1 of the North Dakota Century Code,
2 relating to the bidding threshold for public improvement construction; and to amend and reenact
3 subsection 4 of section 48-01.2-01 and sections 48-01.2-02, 48-01.2-04, and 48-01.2-06 of the
4 North Dakota Century Code, relating to the bidding threshold for public improvement
5 construction.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Subsection 4 of section 48-01.2-01 of the North Dakota
8 Century Code is amended and reenacted as follows:

- 9 4. "Construction" means the process of building, altering, repairing, improving, or
10 demolishing any public structure or building or other improvement to any public
11 property. The term does not include the routine operation or maintenance of
12 existing facilities, structures, buildings, or real property or demolition projects
13 costing less than ~~one hundred thousand dollars~~ the threshold established under
14 section 48-01.2-02.1.

15 **SECTION 2. AMENDMENT.** Section 48-01.2-02 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **48-01.2-02. Plans and specifications for a public improvement contract.** Except as
18 otherwise provided in this chapter, if ~~a contract~~ the estimated cost for the construction of a
19 public improvement is ~~estimated to cost~~ in excess of ~~one hundred thousand dollars~~ the
20 threshold established under section 48-01.2-02.1, the governing body shall procure plans,
21 drawings, and specifications for the improvement from an architect or engineer. For a public
22 building in use by or to be used by the North Dakota agricultural experiment station in
23 connection with farm or agricultural research operations, the plans, drawings, and
24 specifications, with the approval of the state board of higher education, may be prepared by an

1 engineer in the regular employment of the agricultural experiment station. For a public building
2 in use by or to be used by the department of transportation for the storage and housing of road
3 materials or road machinery, equipment, and tools, the plans, drawings, and specifications may
4 be prepared by an engineer employed by the department of transportation.

5 **SECTION 3.** Section 48-01.2-02.1 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Public improvement construction threshold.** The director of the office of
8 management and budget shall establish a policy to set and publish the threshold for public
9 improvement construction at an amount of one hundred thirty-five thousand dollars for the
10 calendar year 2012 increased annually by the consumer price index for all urban consumers (all
11 items, United States city average).

12 **SECTION 4. AMENDMENT.** Section 48-01.2-04 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **48-01.2-04. Publication of advertisement for bids - Emergency exception.**

- 15 1. Except as otherwise provided in this chapter, if the estimated cost for the
16 construction of a public improvement is ~~estimated to cost~~ in excess of ~~one hundred~~
17 ~~thousand dollars~~ the threshold established under section 48-01.2-02.1, the
18 governing body shall advertise for bids by publishing for three consecutive weeks.
19 The first publication of the advertisement must be at least twenty-one days before
20 the date of the opening of bids. The advertisement must be published in the official
21 newspaper of the political subdivision in which the public improvement is or will be
22 located, and in a trade publication of general circulation among the contractors,
23 building manufacturers, and dealers in this state, except the advertisement for a
24 public improvement financed by special assessments need be published only once
25 each week for two weeks in the official newspaper with the first publication being at
26 least fourteen days before the bid opening.
27 2. If a governing body declares an emergency situation, the governing body may
28 contract for the construction of a public improvement without seeking bids.

29 **SECTION 5. AMENDMENT.** Section 48-01.2-06 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **48-01.2-06. Bid requirements for public improvements.** Multiple prime bids for the
2 general, electrical, and mechanical portions of a project are required when any individual
3 general, electrical, or mechanical contract or any combination of individual contracts is in
4 excess of ~~one hundred thousand dollars~~ the threshold established under section 48-01.2-02.1.
5 If a general, mechanical, or electrical contract is estimated to be less than twenty-five ~~thousand~~
6 ~~dollars~~ percent of the threshold, the contract may be included in one of the other prime
7 contracts. A governing body may allow submission of a single prime bid for the complete
8 project or bids for other specialized portions of the project. A governing body may not accept
9 the single prime bid unless that bid is lower than the combined total of the lowest responsible
10 multiple bids for the project.