

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 1789*

Short Title: DOT Bid Limits/Highway Maintenance/Per Year.-AB (Public)

Sponsors: Senator Jenkins.

Referred to: Commerce, Small Business and Entrepreneurship.

May 21, 2008

A BILL TO BE ENTITLED

1 AN ACT TO MAKE THE INFORMAL BID LIMITS FOR DEPARTMENT OF
2 TRANSPORTATION HIGHWAY MAINTENANCE CONTRACTS PER YEAR
3 LIMITS FOR MULTIYEAR CONTRACTS, AS RECOMMENDED BY THE
4 JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.
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6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 136-28.1(a) reads as rewritten:

8 "(a) All contracts over one million two hundred thousand dollars (\$1,200,000) that
9 the Department of Transportation may let for ~~construction~~ construction, maintenance,
10 operations, or repair necessary to carry out the provisions of this Chapter shall be let to
11 a responsible bidder after public advertising under rules and regulations to be made and
12 published by the Department of Transportation. The right to reject any and all bids shall
13 be reserved to the Board of Transportation. Contracts for construction or repair for
14 federal aid projects entered into pursuant to this section shall not contain the
15 standardized contract clauses prescribed by 23 U.S.C. § 112(e) and 23 C.F.R. § 635.109
16 for differing site conditions, suspensions of work ordered by the engineer or significant
17 changes in the character of the work. For those federal aid projects, the Department of
18 Transportation shall use only the contract provisions for differing site conditions,
19 suspensions of work ordered by the engineer, or significant changes in the character of
20 the work developed by the North Carolina Department of Transportation and approved
21 by the Board of Transportation."

22 **SECTION 2.** G.S. 136-28.1(b) reads as rewritten:

23 "(b) In those cases in which the amount of work to be let to contract for highway
24 ~~construction, maintenance,~~ construction or repair is one million two hundred thousand
25 dollars (\$1,200,000) or less, and for highway maintenance that is one million two
26 hundred thousand dollars (\$1,200,000) per year or less, at least three informal bids shall
27 be solicited. The term "informal bids" is defined as bids in writing, received pursuant to
28 a written request, without public advertising. All such contracts shall be awarded to the
29 lowest responsible bidder. The Secretary of Transportation shall keep a record of all

1 bids submitted, which record shall be subject to public inspection at any time after the
2 bids are opened."

3 **SECTION 3.** G.S. 136-28.10(a) reads as rewritten:

4 "(a) Notwithstanding the provisions of G.S. 136-28.4(b), for Highway Fund or
5 Highway Trust Fund construction and repair projects of five hundred thousand dollars
6 (\$500,000) or less, and maintenance projects of five hundred thousand dollars
7 (\$500,000) or less per year, the Board of Transportation may, after soliciting at least
8 three informal bids in writing from Small Business Enterprises, award contracts to the
9 lowest responsible bidder. The Department of Transportation may identify projects
10 likely to attract increased participation by Small Business Enterprises, and restrict the
11 solicitation and award to those bidders. The Board of Transportation may delegate full
12 authority to award contracts, adopt necessary rules, and administer the provisions of this
13 section to the Secretary of Transportation."

14 **SECTION 4.** This act is effective when it becomes law.