Zause BILL NO. 590 1 2

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CONTRACTORS ON 4 SPECIAL IMPROVEMENT DISTRICTS AND RURAL SPECIAL IMPROVEMENT 5 DISTRICTS TO SUBMIT ALTERNATIVE FORMS OF BID SECURITY UNDER 7 THE GENERAL PROVISIONS OF TITLE 6, CHAPTERS 4 AND 5, R.C.M. 8 1947; AMENDING SECTIONS 11-2209, 11-2213, 16-1607 AND 16-1609, R.C.M. 1947."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 11-2209, R.C.M. 1947, is amended to 12 13 read as follows:

"11-2209. Bid for work and award of contract. (1) Notice inviting proposals, and referring to the specifications on file, shall be published at least twice in a daily, semiweekly, or weekly newspaper, published and circulated in said city, designated by the council for that purpose, and in case there is no newspaper published in said city, then it shall be posted in at least three (3) public places.

The city council may call for bids or proposals for several kinds and types of materials for any improvements proposed to be made under sections 11-2201 to 11-2243 of this code, reserving the right to select the kind or type of material to be used in making any such improvements. after the bids or proposals therefor shall have been opened. examined, and declared.

4 (2) The time fixed for the opening of bids shall be not less than ten (10) days from the time of the final 5 publication of said notice. All proposals or bids offered 6 shall be accompanied by a -- check -- payable -- to -- the -city, 7 8 certified-by-a-responsible-bank-for-an--amount--which--shall 9 not--be--less--than-ten-per-centum-(18%)-of-the-aggregate-of the-proposal bid security as provided for in Title 6, 10 chapter 5, R.C.M. 1947. Said proposals or bids shall be 11 12 delivered to the clerk of the said city council; . provided; howevery-that-no-proposal-or-bids-shall-be-considered-unless 13 accompanied -- by -- said -- check: The bids shall be opened in 14 public at a time and place to be designated by the city 15 council at the previous council meeting. The city council 16 17 may reject any and all proposals or bids should it deem this for the public good, and also the bid of any party who has 13 19 been delinquent or unfaithful in any former contract with 20 the municipality, and shall reject all proposals or bids 21 other than the lowest regular proposal or bid of any 22 responsible bidder, and may award the contract for said work 23 or improvement to the lowest responsible bidder at the 24 prices named in his bid.

25 (3) If the bids are rejected, or no bids are received,

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1	the city council may, at any time within two (2) years
2	thereafter, and whenever and as often as the city council
3	deems it advantageous, readvertise for proposals or bids for
4	the performance of the work as herein provided, without
5	further proceedings, and thereafter proceed in the manner in
6	this section provided, and shall thereupon return to the
7	proper parties the checks bid securities corresponding to
8	the bids so rejected. But the checks bid securities
9	accompanying such accepted proposals or bids shall be held
10	by the city clerk of said city until the contract for doing
11	said work, as hereinafter provided, has been entered into,
12	either by said lowest bidder, or by the owners of over fifty
13	per centum (50%) of the frontage, whereupon said certified
14	check bid security shall be returned to said bidder. But if
15	said bidder fails, neglects, or refuses to enter into the
16	contract to perform said work or improvements, as
17	hereinafter provided, then the certifiedcheck bid
18	securities accompanying his bid, and the amount therein
19	mentioned, shall be declared to be forfeited to said city,
20	and shall be collected by it and paid into the general fund.
21	The provisions hereof shall be applicable to all special
22	improvement districts created within one (1) year preceding
23	the passage and approval of this act."
24	Section 2. Section 11-2213, R.C.M. 1947, is amended to

"11-2213. Bond of contractor. All contractors, contracting owners included, shall, at the time of executing any contract for street work, execute a bond to the satisfaction and approval of the city council, with -- two -- or more-sureties---and-payable-to-such-city--in-c-sum-not-less than-twenty-five-per-cent-of-the--amount--of--the--contracty conditioned -- for -- the -- faithful-performance - of - the -contract; and-indemnifying-the-city-from--any--detriment;--damage;--or loss--growing--out--of--said--work;--and--the-sureties-shall justify-pefore-any-person-competent-to-administer--an--oath; in--double-the-amount-mentioned-in-said-bond;-over-and-above all-statutory-exemptions;-provided;--however;--tnat--nothing herein--contained--shall--be--construed--as--to--prevent--or prohibit-the-city-council-from-requiring-or-accepting-in-any case-a-bond-furnished-by--a--surety--company--authorized--to transact--business--in-the-state-of-Montana; in the form and manner provided for in Title 6, chapter 4, R.C.M. 1947." Section 3. Section 16-1607, R.C.M. 1947, is amended to read as follows: "16-1607. Notice inviting proposals--publication and

"16-1607. Notice inviting proposals--publication and posting--opening bids--readvertisement--contract for purchase. (1) A notice inviting proposals and referring to specifications on file with the engineer selected as hereinbefore provided shall be published at least twice in a daily, semiweekly or weekly newspaper published and

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read as follows:

circulated nearest to the boundaries of the said proposed improvement district, and which paper shall be designated by the board of county commissioners for that purpose, and a copy of said notice shall be posted in at least three public places within the boundaries of the proposed district.

- (2) The board of county commissioners may call for bids for proposals for several kinds or types of materials for any of the improvements proposed, reserving the right to select the kind of type or materials to be used in making any or all of said improvements after the bids or proposals therefor shall have been opened, examined and declared.
- (3) The time fixed for the opening of the bids shall not be less than fifteen days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a-check-payable-to-the-board-of county-commissioners,-certified-by-a-responsible-bank,--for an-amount-which-shall-not-be-less-than-ten-per-cent-of-the aggregate-of-said-proposal bid security as provided for in Title 6, chapter 5, R.C.M. 1947. Such proposals or bids shall be delivered to the county clerk, and the board of county commissioners shall, in open session, publicly open and examine and declare the same.7-provided,--however,--that no-proposal-or-bid-shall-be-considered-unless-accompanied-by said-check.
 - (4) The board of county commissioners may reject any

and all proposals or bids should it deem this for the public good, and also the bid of any party who has been delinquent or unfaithful in any former contract with the board of county commissioners, and shall reject all proposals, other than the lowest regular proposal or bid of any responsible bidder, and may award the contract for such work or improvement, to the lowest responsible bidder at the prices

named in his bid. (5) If the bids are rejected or no bids are received the board of county commissioners may within six months thereafter readvertise for proposals or bids for performance of the work as in the first instance, without further proceedings, and thereafter proceed in the manner in this section provided, and shall thereupon return to the proper parties the checks bid securities accompanying the bids so rejected, but the check bid security accompanying said accepted proposal or bid shall be held by the county clerk until the contract for doing said work as hereinafter provided has been entered into, either by the said lowest bidder, or by the owners of over fifty per cent of frontage, whereupon said certified -- check bid security shall be returned to said bidder, but if said bidder fails, neglects or refuses to enter into the contract to perform said work and improvements as hereinafter provided, then the certified check bid security accompanying his bid, in the amount

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herein therein mentioned, shall be declared to be forfeited
to the said board of county commissioners, and shall be
collected by it, and paid into the general fund of the
county.

(6) If the proposed improvement consists of the purchase of an existing improvement, the board of county commissioners may, in their discretion, after the creation of the said special improvement district, and after ordering the proposed improvement, enter into a contract for the purchase of said improvement, upon such terms as they deem just, without advertising for bids, or proposals, provided, however, that the total purchase price shall not exceed the amount set forth in the notice required by section 16-1602.*

Section 4. Section 16-1609, R.C.M. 1947, is amended to read as follows:

"16-1609. Bond of contractor or contracting owners. All contractors and contracting owners included shall at the time of executing any contract for any work, execute a bond to the satisfaction and approval of the board of county commissioners, with—two—or—more—sureties,—payable—to—said county—in—a—sum—not—less—than—twenty—five—per—cent—of—the amount——of—the—contracty—conditioned—for—the—faithful performance—of—the—contracts,—indemnifying—the—county—from any—detriment,—damage—or—loss—growing—out—of—said—work,—and the—sureties—shall—justify—before—any—person—competent—to

administer--an--oath--in-double-the-amount-mentioned-in-said
bondy-over-and-above--all--statutory--exemptionsy--providedy
howevery--that--nothing-herein-contained-shall-be-considered
as-to-prevent-or-prohibit-the-board-of-county--commissioners
frem--requiring-or-accepting-in-any-case-a-bond-furnished-by
a-surety-company-authorized--to--transact--business--in--the
state--of--Montanar in the form and manner provided for in
Title 6, chapter 4, R.C.M. 1947."

-End-

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Approved by Committee on Business and Industry

1 2 INTRODUCED BY Kindle, by sequent

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CONTRACTORS ON SPECIAL IMPROVEMENT DISTRICTS AND RURAL SPECIAL IMPROVEMENT

DISTRICTS TO SUBMIT ALTERNATIVE FORMS OF BID SECURITY UNDER

THE GENERAL PROVISIONS OF TITLE 6, CHAPTERS 4 AND 5, R.C.M.

1947; AMENDING SECTIONS 11-2209, 11-2213, 16-1607 AND

9 16-1609, R.C.M. 1947."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 11-2209, R.C.M. 1947, is amended to read as follows:

"11-2209. Bid for work and award of contract.

(1) Notice inviting proposals, and referring to the specifications on file, shall be published at least twice in a daily, semiweekly, or weekly newspaper, published and circulated in said city, designated by the council for that purpose, and in case there is no newspaper published in said city, then it shall be posted in at least three (3) public places.

The city council may call for bids or proposals for several kinds and types of materials for any improvements proposed to be made under sections 11-2201 to 11-2243 of this code, reserving the right to select the kind or type of

1 material to be used in making any such improvements, after 2 the bids or proposals therefor shall have been opened, 3 examined, and declared.

(2) The time fixed for the opening of bids shall be not less than ten (10) days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a -- check -- payable -- to -- the -city certified-by-a-responsible-bank-for-an--amount--which--shall not--be--less--than-ten-per-centum-(10%)-of-the-aggregate-of the-proposal bid security as provided for in Title 6, chapter 5, R.C.M. 1947. Said proposals or bids shall be delivered to the clerk of the said city council, provided, howevery-that-no-proposal-or-bids-shall-be-considered-unless accompanied-by-said-check: The bids shall be opened in public at a time and place to be designated by the city council at the previous council meeting. The city council may reject any and all proposals or bids should it deem this for the public good, and also the bid of any party who has been delinquent or unfaithful in any former contract with the municipality, and shall reject all proposals or bids other than the lowest regular proposal or bid of any responsible bidder, and may award the contract for said work or improvement to the lowest responsible bidder at the prices named in his bid.

(3) If the bids are rejected, or no bids are received,

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2	thereafter, and whenever and as often as the city council
3	deems it advantageous, readvertise for proposals or bids for
4	the performance of the work as herein provided, without
5	further proceedings, and thereafter proceed in the manner in
6	this section provided, and shall thereupon return to the
7	proper parties the checks bid securities corresponding to
8	the bids so rejected. But the checks bid securities
9	accompanying such accepted proposals or bids shall be held
10	by the city clerk of said city until the contract for doing
11	said work, as hereinafter provided, has been entered into,
12	either by said lowest bidder, or by the owners of over fifty
13	per centum (50%) of the frontage, whereupon said certified
14	check bid security shall be returned to said bidder. But if
15	said bidder fails, neglects, or refuses to enter into the
16	contract to perform said work or improvements, as
17	hereinafter provided, then the certifiedcheck bid
18	securities accompanying his bid, and the amount therein
19	mentioned, shall be declared to be forfeited to said city,
20	and shall be collected by it and paid into the general fund.
21	The provisions hereof shall be applicable to all special
22	improvement districts created within one (1) year preceding
23	the passage and approval of this act."
24	Section 2. Section 11-2213, R.C.M. 1947, is amended to
25	read as follows:

the city council may, at any time within two (2) years

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1 "11-2213. Bond of contractor. All contractors, contracting owners included, shall, at the time of executing any contract for street work, execute a bond to the 3 satisfaction and approval of the city council, with--two--er 5 more--suretiesy--and-payable-to-such-sityy-in-a-sum-not-less than-twenty-five-per-cent-of-the--amount--of--the--contracty 7 conditioned--for--the--faithful-performance-of-the-contract; and-indemnifying-the-city-from-any-detrimenty--damagey--or 9 loss--growing--out--of--said--work;--and--the-sureties-shall 10 justify-before-any-person-competent-to-administer--an--oath; 11 in--double-the-amount-mentioned-in-said-bondy-over-and-above 12 all-statutory-exemptions;-provided;--however;--that--nothing 13 herein--contained--shall--be--construed--as--to--prevent--or 14 prohibit-the-city-council-from-requiring-or-accepting-in-any 15 case-a-bond-furnished-by--a--surety--company--authorized--to 16 transact--business--in-the-state-of-Montanar in the form and manner provided for in Title 6, chapter 4, R.C.M. 1947." 17 Section 3. Section 16-1607, R.C.M. 1947, is amended to 18 19 read as follows: 20 "16-1607. Notice inviting proposals--publication and 21 posting--opening bids--readvertisement--contract 22 purchase. (1) A notice inviting proposals and referring to 23 specifications on file with the engineer selected as 24 hereinbefore provided shall be published at least twice in a 25 daily, semiweekly or weekly newspaper published

circulated nearest to the boundaries of the said proposed improvement district, and which paper shall be designated by the board of county commissioners for that purpose, and a copy of said notice shall be posted in at least three public places within the boundaries of the proposed district.

- (2) The board of county commissioners may call for bids for proposals for several kinds or types of materials for any of the improvements proposed, reserving the right to select the kind of type or materials to be used in making any or all of said improvements after the bids or proposals therefor shall have been opened, examined and declared.
- (3) The time fixed for the opening of the bids shall not be less than fifteen days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a-check-payable-to-the-board-of county-commissioners, certified-by-a-responsible-bank,—for an-amount-which-shall-not-be-less-than-ten-per-cent-of-the aggregate-of-said-proposal bid security as provided for in Title 6, chapter 5, R.C.M. 1947. Such proposals or bids shall be delivered to the county clerk, and the board of county commissioners shall, in open session, publicly open and examine and declare the same.7-provided7--however7--that no-proposal-or-bid-shall-be-considered-unless-accompanied-by said-check.
 - (4) The board of county commissioners may reject any

and all proposals or bids should it deem this for the public good, and also the bid of any party who has been delinquent or unfaithful in any former contract with the poard of county commissioners, and shall reject all proposals, other than the lowest regular proposal or bid of any responsible bidder, and may award the contract for such work or improvement, to the lowest responsible bidder at the prices

named in his bid.

(5) If the bids are rejected or no bids are received the board of county commissioners may within six months thereafter readvertise for proposals or bids for performance of the work as in the first instance, without further proceedings, and thereafter proceed in the manner in this section provided, and shall thereupon return to the proper parties the checks bid securities accompanying the bids so rejected, but the check bid security accompanying said accepted proposal or bid shall be held by the county clerk until the contract for doing said work as hereinafter provided has been entered into, either by the said lowest bidder, or by the owners of over fifty per cent of frontage, whereupon said certified -- check bid security shall be returned to said bidder, but if said bidder fails, neglects or refuses to enter into the contract to perform said work and improvements as hereinafter provided, then the certified check bid security accompanying his bid, in the amount

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to the said board of county commissioners, and shall be collected by it, and paid into the general fund of the county.

read as follows:

(6) If the proposed improvement consists of the purchase of an existing improvement, the board of county commissioners may, in their discretion, after the creation of the said special improvement district, and after ordering the proposed improvement, enter into a contract for the purchase of said improvement, upon such terms as they deem just, without advertising for bids, or proposals, provided, nowever, that the total purchase price shall not exceed the amount set forth in the notice required by section 16-1602.*

Section 4. Section 16-1609, R.C.M. 1947, is amended to

"16-1609. Bond of contractor or contracting owners. All contractors and contracting owners included shall at the time of executing any contract for any work, execute a bond to the satisfaction and approval of the board of county commissioners, with—two—or—more—sureties,—payable—to—said county—in—a-sum—not—less—than—twenty—five—per—cent—of—the amount——of—the—contracty—conditioned—for—the—faithful performance—of—the—contracts,—indemnifying—the—county—from any—detrimenty—damage—or—loss—growing—out—of—said—worky—and the—sureties—shall—justify—before—any—person—competent—to

administer—an—oath—in-double—the-amount—mentioned—in-said
bondy—over—and—above—all—statutory—exemptionsy—providedy
howevery—that—nothing—herein—contained—shall—be-considered
as—to-prevent—or-prohibit—the-board—of-county—commissioners
from—requiring—or-accepting—in-any-case—a-bond—furnished—by
a-surety—company—authorized—to—transact—business—in—the
state—of—Montanar in the form and manner provided for in
Title 6, chapter 4, R.C.M. 1947."
—End—

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CONTRACTORS ON 4 5 SPECIAL IMPROVEMENT DISTRICTS AND RURAL SPECIAL IMPROVEMENT DISTRICTS TO SUBMIT ALTERNATIVE FORMS OF BID SECURITY UNDER THE GENERAL PROVISIONS OF TITLE 6. CHAPTERS 4 AND 5. R.C.M. 1947: AMENDING SECTIONS 11-2209. 11-2213. 16-1607 AND 9 16-1609, R.C.M. 1947."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 11-2209, R.C.M. 1947, is amended to 13 read as follows:

"11-2209. Bid for work and award of contract. 14

(1) Notice inviting proposals, and referring to the

specifications on file, shall be published at least twice in

a daily, semiweekly, or weekly newspaper, published and 17

circulated in said city, designated by the council for that

ourpose, and in case there is no newspaper published in said

city, then it shall be posted in at least three (3) public 20

21 places.

22 The city council may call for bids or proposals for

several kinds and types of materials for any improvements

24 proposed to be made under sections 11-2201 to 11-2243 of

this code, reserving the right to select the kind or type of 25

material to be used in making any such improvements, after the bids or proposals therefor shall have been opened. examined, and declared.

(2) The time fixed for the opening of bids shall be not less than ten (10) days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a -- check -- payable -- to -- the -city certified-by-a-responsible-bank-for-an--amount---which--shall not--be--less--than-ten-per-centum-(10%)-of-the-aggregate-of the-proposal bid security as provided for in Title 6, 10 11 chapter 5, R.C.M. 1947. Said proposals or bids shall be 12 delivered to the clerk of the said city council, provided; 13 howevery-that-no-proposal-or-bids-shall-be-considered-unless 14 accompanied--by--said--checkt The bids shall be opened in public at a time and place to be designated by the city 15 16 council at the previous council meeting. The city council 17 may reject any and all proposals or bids should it deem this 18 for the public good, and also the bid of any party who has 19 been delinquent or unfaithful in any former contract with 20 the municipality, and shall reject all proposals or bids, 21 other than the lowest regular proposal or bid of any responsible bidder, and may award the contract for said work 22 23 or improvement to the lowest responsible bidder at the 24 prices named in his bid.

> (3) If the bids are rejected, or no bids are received. -2- HB 570

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1	the city council may, at any time within two (2) years
2	thereafter, and whenever and as often as the city council
3	deems it advantageous, readvertise for proposals or bids for
4	the performance of the work as herein provided, without
5	further proceedings, and thereafter proceed in the manner in
6	this section provided, and shall thereupon return to the
7	proper parties the checks bid securities corresponding to
8	the bids so rejected. But the eheeks bid securities
9	accompanying such accepted proposals or bids shall be held
10	by the city clerk of said city until the contract for doing
11	said work, as hereinafter provided, has been entered into,
12	either by said lowest bidder, or by the owners of over fifty
13	per centum (50%) of the frontage, whereupon said certified
14	check bid security shall be returned to said bidder. But if
15	said bidder fails, neglects, or refuses to enter into the
16	contract to perform said work or improvements, as
17	hereinafter provided, then the certifiedcheck bid
18	securities accompanying his bid, and the amount therein
19	mentioned, shall be declared to be forfeited to said city,
20	and shall be collected by it and paid into the general fund.
21	The provisions hereof shall be applicable to all special
22	improvement districts created within one (1) year preceding
23	the passage and approval of this act.
24	Section 2. Section 11-2213, R.C.M. 1947, is amended to

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read as follows:

1 "11-2213, Bond of contractor, All contractors, contracting owners included, shall, at the time of executing 2 any contract for street work, execute a bond to the satisfaction and approval of the city council, with--two--or more--sureties---end-payable-to-such-city--in-a-sum-not-less than-twenty-five-per-cent-of-the--amount--of--the--contract; conditioned--for--the--faithful-performance-of-the-contracty 7 and-indemnifying-the-city-from--any--detrimenty--damagey--or loss--growing--out--of--said--work;--and--the-sureties-shall instify-before-any-person-competent-to-administer--an--oathy 10 in--double-the-amount-mentioned-in-said-bondy-over-and-above 11 12 all-statutory-exemptions;-provided;--however;--that--nothing 13 herein--contained--shall--be--construed--as--te--prevent--or prohibit-the-city-council-from-requiring-or-accepting-in-any 14 15 case-a-bond-furnished-by--a--surety--company--authorized--to 16 transact--business--in-the-state-of-Montana; in the form and 17 manner provided for in Title 6, chapter 4, R.C.M. 1947." 18 Section 3. Section 16-1607, R.C.M. 1947, is amended to 19 read as follows: 20 *16-1607. Notice inviting proposals--publication and bids--readvertisement--contract for 21 posting--opening

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purchase. (1) A notice inviting proposals and referring to

specifications on file with the engineer selected as

hereinbefore provided shall be published at least twice in a

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circulated nearest to the boundaries of the said proposed improvement district, and which paper shall be designated by the board of county commissioners for that purpose, and a copy of said notice shall be posted in at least three public places within the boundaries of the proposed district.

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- (2) The board of county commissioners may call for bids for proposals for several kinds or types of materials for any of the improvements proposed, reserving the right to select the kind of type or materials to be used in making any or all of said improvements after the bids or proposals therefor shall have been opened, examined and declared.
- (3) The time fixed for the opening of the bids shall not be less than fifteen days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a -- check-payable-to-the-board-of county-commissionersy-certified-by-a-responsible--banky--for an--amount--which-shall-not-be-less-than-ten-per-cent-of-the aggregate-of-said-proposal bid security as provided for in Title 6, chapter 5, R.C.M. 1947. Such proposals or bids shall be delivered to the county clerk, and the board of county commissioners shall, in open session, publicly open and examine and declare the same. 7-provided 7--however 7-- that no-proposal-or-bid-shall-be-considered-unless-accompanied-by said-checkt
 - (4) The board of county commissioners may reject any

1 and all proposals or bids should it deem this for the public good, and also the bid of any party who has been delinquent or unfaithful in any former contract with the board of 3 county commissioners, and shall reject all proposals, other than the lowest regular proposal or bid of any responsible bidder, and may award the contract for such work or 7 improvement, to the lowest responsible bidder at the prices 8 named in his bid.

(5) If the bids are rejected or no bids are received the board of county commissioners may within six months thereafter readvertise for proposals or bids for the performance of the work as in the first instance, without 13 further proceedings, and thereafter proceed in the manner in 14 this section provided, and shall thereupon return to the 15 proper parties the checks bid securities accompanying the bids so rejected, but the check bid security accompanying 16 17 said accepted proposal or bid shall be held by the county clerk until the contract for doing said work as hereinafter 18 provided has been entered into, either by the said lowest 20 bidder, or by the owners of over fifty per cent of frontage, 21 whereupon said certified -- check bid security shall be 22 returned to said bidder, but if said bidder fails, neglects 23 or refuses to enter into the contract to perform said work 24 and improvements as hereinafter provided, then the certified 25 check bid security accompanying his bid, in the amount

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to the said board of county commissioners, and shall be collected by it, and paid into the general fund of the county.

read as follows:

(6) If the proposed improvement consists of the purchase of an existing improvement, the board of county commissioners may, in their discretion, after the creation of the said special improvement district, and after ordering the proposed improvement, enter into a contract for the purchase of said improvement, upon such terms as they deem just, without advertising for bids, or proposals, provided, however, that the total purchase price shall not exceed the amount set forth in the notice required by section 16-1602."

Section 4. Section 16-1609, R.C.M. 1947, is amended to

"16-1609. Bond of contractor or contracting owners. All contractors and contracting owners included shall at the time of executing any contract for any work, execute a bond to the satisfaction and approval of the board of county commissioners, with—two—or—more—sureties;—payable—to—said county—in—a—sum—not—less—than—twenty—five—per—cent—of—the amount——of—the—contract;—conditioned—for—the—faithful performance—of—the—contracts;—indemnifying—the—county—from any—detriment;—damage—or—loss—growing—out—of—said—work;—and the—sureties—shall—justify—before—any—person—competent—to

administer—an—oath—in—double—the—amount—mentioned—in—said
bondy—over—and—above—all—statutory—exemptionsy—providedy
howevery—that—nothing—herein—contained—shall—be—considered
as—to—prevent—or—prohibit—the—board—of—county—commissioners
from—requiring—or—accepting—in—any—case—a—bond—furnished—by
a—surety—company—authorized—to—transact—business—in—the
state—of—Montanat in the form and manner provided for in

Title 6, chapter 4, R.C.M. 1947."

-End-

44th Legislature HB 0590/02

1	HOUSE BILL NO. 590
2	INTRODUCED BY KIMBLE
3	(BY REQUEST)
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW CONTRACTORS ON
6	SPECIAL IMPROVEMENT DISTRICTS AND RURAL SPECIAL IMPROVEMENT
7	DISTRICTS TO SUBMIT ALTERNATIVE FORMS OF BID SECURITY UNDER
8	THE GENERAL PROVISIONS OF TITLE 6, CHAPTERS 4 AND 5, R.C.M.
9	1947; AMENDING SECTIONS 11-2209, 11-2213, 16-1607 AND
10	16-1609, R.C.M. 1947."
11	
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	Section 1. Section 11-2209, R.C.M. 1947, is amended to
14	read as follows:
15	"11-2209. Bid for work and award of contract.
16	(1) Notice inviting proposals, and referring to the
17	specifications on file, shall be published at least twice in
13	a daily, semiweekly, or weekly newspaper, published and
19	circulated in said city, designated by the council for that
20	purpose, and in case there is no newspaper published in said
21	city, then it shall be posted in at least three (3) public
22	places.
23	The city council may call for bids or proposals for
24	several kinds and types of materials for any improvements
25	proposed to be made under sections 11-2201 to 11-2243 of

this code, reserving the right to select the kind or type of material to be used in making any such improvements, after the bids or proposals therefor shall have been opened, examined, and declared.

(2) The time fixed for the opening of bids shall be 5 not less than ten (10) days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a--check--payable--to--the-city, certified-by-a-responsible-bank-for-an-amount--which--shall 9 10 not--be--less--than-ten-per-centum-(19%)-of-the-aggregate-of 11 the-proposal bid security as provided for in Title 6, 12 chapter 5, R.C.M. 1947. Said proposals or bids shall be 13 delivered to the clerk of the said city council;. previded, 14 however;-that-no-proposal-or-bids-shall-be-considered-unless 15 accompanied -- by -- said -- check - The bids shall be opened in public at a time and place to be designated by the city 16 17 council at the previous council meeting. The city council 18 may reject any and all proposals or bids should it deem this 19 for the public good, and also the bid of any party who has 20 been delinquent or unfaithful in any former contract with 21 the municipality, and shall reject all proposals or bids other than the lowest regular proposal or bid of any 22 responsible bidder, and may award the contract for said work 23 or improvement to the lowest responsible bidder at the 24 25 prices named in his bid.

(3) If the bids are rejected, or no bids are received,
the city council may, at any time within two (2) years
thereafter, and whenever and as often as the city council
deems it advantageous, readvertise for proposals or bids for
the performance of the work as herein provided, without
further proceedings, and thereafter proceed in the manner in
this section provided, and shall thereupon return to the
proper parties the checks bid securities corresponding to
the bids so rejected. But the cheeks bid securities
accompanying such accepted proposals or bids shall be held
by the city clerk of said city until the contract for doing
said work, as hereinafter provided, has been entered into,
either by said lowest bidder, or by the owners of over fifty
per centum (50%) of the frontage, whereupon said eertified
check bid security shall be returned to said bidder. But if
said bidder fails, neglects, or refuses to enter into the
contract to perform said work or improvements, as
hereinafter provided, then the certifiedcheck bid
securities accompanying his bid, and the amount therein
mentioned, shall be declared to be forfeited to said city,
and shall be collected by it and paid into the general fund.
The provisions hereof shall be applicable to all special
improvement districts created within one (1) year preceding

Section 2. Section 11-2213, R.C.M. 1947, is amended to

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1 read as follows:

2 "11-2213. Bond of contractor. All contractors. 3 contracting owners included, shall, at the time of executing 4 any contract for street work, execute a bond to the 5 satisfaction and approval of the city council, with-two-er 6 more-sureties,-and-payable-to-such-city,-in-a-sum--not--less 7 than--twenty-five--per--cent--of-the-amount-of-the-contracty conditioned-for-the-faithful-performance--of--the--contract, 9 and--indemnifying--the--city--from-any-detrimenty-damagey-or 10 loss-growing-out--of--said--worky--and--the--sureties--shall 11 justify--before--any-person-competent-to-administer-an-oathy in-double-the-amount-mentioned-in-said-bondy-ever-and--above 12 13 all--statutory--exemptions;--provided;-however;-that-nothing herein--contained--shall--be--construed--as--to--prevent--or 14 15 prohibit-the-city-council-from-requiring-or-accepting-in-any case--a--bond--furnished--by--a-surety-company-authorized-to 16 17 transact-business-in-the-state-of-Montana: in the form and 18 manner provided for in Title 6, chapter 4, R.C.M. 1947."

19 Section 3. Section 16-1607, R.C.M. 1947, is amended to 20 read as follows:

21 *16-1607. Notice inviting proposals--publication and 22 posting--opening bids--readvertisement--contract for 23 purchase. (1) A notice inviting proposals and referring to 24 specifications on file with the engineer selected as

hereinbefore provided shall be published at least twice in a

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daily, semiweekly or weekly newspaper published and circulated nearest to the boundaries of the said proposed improvement district, and which paper shall be designated by the board of county commissioners for that purpose, and a copy of said notice shall be posted in at least three public places within the boundaries of the proposed district.

- (2) The board of county commissioners may call for bids for proposals for several kinds or types of materials for any of the improvements proposed, reserving the right to select the kind of type or materials to be used in making any or all of said improvements after the bids or proposals therefor shall have been opened, examined and declared.
- (3) The time fixed for the opening of the bids shall not be less than fifteen days from the time of the final publication of said notice. All proposals or bids offered shall be accompanied by a--check-payable-to-the-board-of county-commissioners,-certified-by-a-responsible-bank,--for an--amount--which-shall-not-be-less-than-ten-per-cent-of-the aggregate-of-said-proposal bid security as provided for in Title 6, chapter 5, R.C.M. 1947. Such proposals or bids shall be delivered to the county clerk, and the board of county commissioners shall, in open session, publicly open and examine and declare the same_-;-provided;--however;--that no-proposal-or-bid-shall-be-considered-unless-accompanied-by said-checks

- (4) The board of county commissioners may reject any and all proposals or bids should it deem this for the public good, and also the bid of any party who has been delinquent or unfaithful in any former contract with the board of county commissioners, and shall reject all proposals, other than the lowest regular proposal or bid of any responsible bidder, and may award the contract for such work or improvement, to the lowest responsible bidder at the prices named in his bid.
- (5) If the bids are rejected or no bids are received the board of county commissioners may within six months thereafter readvertise for proposals or bids for performance of the work as in the first instance, without further proceedings, and thereafter proceed in the manner in this section provided, and shall thereupon return to the proper parties the checks bid securities accompanying the bids so rejected, but the check bid security accompanying said accepted proposal or bid shall be held by the county clerk until the contract for doing said work as hereinafter provided has been entered into, either by the said lowest bidder, or by the owners of over fifty per cent of frontage, whereupon said certified -- check bid security shall be returned to said bidder, but if said bidder fails, neglects or refuses to enter into the contract to perform said work and improvements as hereinafter provided, then the certified

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to the said board of county commissioners, and shall be collected by it, and paid into the general fund of the county.

(6) If the proposed improvement consists of the purchase of an existing improvement, the board of county commissioners may, in their discretion, after the creation of the said special improvement district, and after ordering the proposed improvement, enter into a contract for the purchase of said improvement, upon such terms as they deem just, without advertising for bids, or proposals, provided, however, that the total purchase price shall not exceed the amount set forth in the notice required by section 16-1602."

Section 4. Section 16-1609, R.C.M. 1947, is amended to read as follows:

"16-1609. Bond of contractor or contracting owners.

All contractors and contracting owners included shall at the time of executing any contract for any work, execute a bond to the satisfaction and approval of the board of county commissioners, with--two--or-more-sureties,-payable-to-said county-in-a-sum-not-less-than-twenty-five-per--cent--of--the amount---of--the--contracty--conditioned--for--the--faithful performance-of-the-contracts,-indemnifying-the--county--from any--detrimenty-damage-or-loss-growing-out-of-said-worky-and

the-sureties-shall-justify-before-any--person--competent--te
administer--an--oath--in-double-the-amount-mentioned-in-said
bondy-over-and-above--all--statutory--exemptionsy--providedy
howevery--that--nothing-herein-contained-shall-be-considered
as-to-prevent-or-prohibit-the-board-of-county--commissioners
from--requiring-or-accepting-in-any-case-a-bond-furnished-by
a-surety-company-authorized--to--transact--business--in--the
state--of--Montanar in the form and manner provided for in
Title 6, chapter 4, R.C.M. 1947."

-End-