

1 H BILL NO. 508
 2 INTRODUCED BY Kraalen by request

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS
 5 82-1133 AND 82-3317, R.C.M. 1947, TO ABOLISH THE MINIMUM
 6 NUMBER OF BIDS REQUIRED FOR STATE CONSTRUCTION PROJECTS AND
 7 TO CLARIFY THE LAWS RELATED TO BID SECURITY."

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

10 Section 1. Section 82-1133, R.C.M. 1947, is amended to
 11 read as follows:

12 ~~"82-1133. Number of bids required certified check to~~
 13 ~~accompany bid Bid security. There must be bids from at least~~
 14 ~~two (2) responsible contractors in their respective lines~~
 15 ~~when said contract involves an expenditure of more than two~~
 16 ~~thousand dollars (\$2,000.00); each~~ Each bid must be
 17 accompanied by a ~~certified check for 5% of the amount of his~~
 18 bid security in the amount of 10% of the bid, such security
 19 to consist of cash, cashier's check, certified check, bank
 20 money order, or bank draft, drawn and issued by a national
 21 banking association located in the state of Montana or by
 22 any banking corporation incorporated under the laws of the
 23 state of Montana, or a bid bond or bonds executed by a
 24 surety corporation authorized to do business in the state of
 25 Montana."

INTRODUCED BILL

1 Section 2. Section 82-3317, R.C.M. 1947, is amended to
 2 read as follows:

3 "82-3317. Supervision of construction of buildings.
 4 (1) For the construction of a building costing more than
 5 ten thousand dollars (\$10,000.00) the department of
 6 administration shall:

7 (a) Review and approve all plans and working drawings
 8 prepared by architects.

9 (b) Approve all bond issues or other financial
 10 arrangements and supervise and approve the expenditure of
 11 all moneys.

12 (c) Under the supervision and with the approval of the
 13 board of examiners, solicit, accept and reject bids and
 14 award all contracts to the lowest qualified bidder.

15 (d) Review and, with the consent of the board of
 16 examiners, approve all change orders.

17 (e) Accept the building when completed according to
 18 approved plans and specifications.

19 (f) Concur in construction projects where the proposed
 20 cost is less than ten thousand dollars (\$10,000.00), but
 21 more than three thousand dollars (\$3,000.00), ~~provided that~~
 22 ~~before any contract is approved for construction alteration~~
 23 ~~or improvement no less than three (3) separate informat bids~~
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 25 ~~as such in the state of Montana.~~

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1 (g) Not require the provisions of Montana law relating
2 to advertising, bidding or supervision where proposed
3 construction costs are less than three thousand dollars
4 (\$3,000.00).

5 (2) For the construction of buildings owned or to be
6 owned by a school district, the department of administration
7 shall, upon request, provide inspection to insure compliance
8 with the plans and specifications for the construction of
9 such buildings. "Construction" shall include construction,
10 repair, alteration, equipping and furnishing during
11 construction, repair or alteration. These services shall be
12 provided at a cost to be contracted for between the
13 department of administration and the school district, with
14 the receipts to be deposited in the department of
15 administration's construction revolving account in the
16 revolving fund.

17 (3) It is the intent of the legislative assembly that
18 student housing and other facilities constructed under the
19 authority of the regents of the university of Montana are
20 subject to the provisions of subsection (1) of this
21 section."

-End-

Approved by Committee
on State Administration

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12 (c) Under the supervision and with the approval of the
13 board of examiners, solicit, accept and reject bids and
14 award all contracts to the lowest qualified bidder.

15 (d) Review and, with the consent of the board of
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18 approved plans and specifications.

19 (f) Concur in construction projects where the proposed
20 cost is less than ten thousand dollars (\$10,000.00), but
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16 revolving fund.

17 (3) It is the intent of the legislative assembly that
18 student housing and other facilities constructed under the
19 authority of the regents of the university of Montana are
20 subject to the provisions of subsection (1) of this
21 section."

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16 revolving fund.

17 (3) It is the intent of the legislative assembly that
18 student housing and other facilities constructed under the
19 authority of the regents of the university of Montana are
20 subject to the provisions of subsection (1) of this
21 section."

-End-

March 29, 1977

SENATE
STANDING COMMITTEE REPORT
Committee on State Administration

That House Bill No. 508, third reading, be amended as follows:

1. Amend page 2, section 2, line 14.

Following: "bidder"

Insert: "considering conformity with specifications and terms and reasonableness of bid amount. Before any contract is awarded, two formal bids must have been received"

2. Amend page 2, section 2, line 19.

Following: line 18

Strike: "(f) Concur"

Insert: "(2) The department of administration is responsible for concurring"

3. Amend page 2, section 2, line 25.

Following: "~~Montana.~~"

Insert: "Before any contract is approved for construction, alteration, or improvement at least three informal bids, if reasonably available, shall be procured from bona fide contractors duly licensed as such in the state of Montana."

April 1, 1977

SENATE
COMMITTEE OF THE WHOLE

That House Bill No. 508 be amended as follows:

1. Amend amendment No. 1, insertion paragraph, line 3.

Following: "received"

Insert: ",if reasonably available"

2. Amend page 1, section 1, line 18.

Following: "amount of"

Strike: "10%"

Insert: "5%"

April 6, 1977

SENATE
COMMITTEE OF THE WHOLE

That House Bill No. 508 be amended as follows:

1. Amend amendment no. 2
Strike: amendment no. 2 in its entirety.

April 1, 1977

SENATE
COMMITTEE OF THE WHOLE

That House Bill No. 508 be amended as follows:

1. Amend amendment No. 1, insertion paragraph, line 3.
Following: "received"
Insert: ", if reasonably available"

2. Amend page 1, section 1, line 18.
Following: "amount of"
Strike: "10%"
Insert: "5%"

3. Amend page 3, section 2, line 1.
Following: line 25 on page 2
Strike: "(g) Not"
Insert: "(3) The department need not"
Renumber: all subsequent subsections

*"Corrected
Copy"*

HOUSE BILL NO. 508

INTRODUCED BY KVAALEN

BY REQUEST

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(c) Under the supervision and with the approval of the board of examiners, solicit, accept and reject bids and award all contracts to the lowest qualified bidder CONSIDERING CONFORMITY WITH SPECIFICATIONS AND TERMS AND REASONABLENESS OF BID AMOUNT, BEFORE ANY CONTRACT IS AWARDED, TWO FORMAL BIDS MUST HAVE BEEN RECEIVED, IF REASONABLY AVAILABLE.

(d) Review and, with the consent of the board of examiners, approve all change orders.

(e) Accept the building when completed according to approved plans and specifications.

~~(f) Concur (2) THE DEPARTMENT OF ADMINISTRATION IS RESPONSIBLE FOR CONCURRING~~ in construction projects where

1 the proposed cost is less than ten thousand dollars
 2 (\$10,000.00), but more than three thousand dollars
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REFERENCE BILL
Second Printing

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