

HOUSE BILL NO. 506

INTRODUCED BY YARDLEY

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE HOUSE

January 26, 1983	Introduced and referred to Committee on State Administration.
February 3, 1983	Committee recommend bill do pass. Report adopted.
February 4, 1983	Bill printed and placed on members' desks.
February 5, 1983	Second reading, do pass.
February 7, 1983	Considered correctly engrossed.
February 8, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 9, 1983	Introduced and referred to Committee on State Administration.
March 15, 1983	Committee recommend bill be concurred in as amended. Report adopted.
March 17, 1983	Second reading, concurred in.
March 19, 1983	Third reading, concurred in. Ayes, 47; Noes, 2.

IN THE HOUSE

March 19, 1983

Returned to House with
amendments.

March 31, 1983

Second reading, amendments
concurred in.

April 1, 1983

Third reading, amendments
concurred in.

Sent to enrolling.

Reported correctly enrolled.

1 House BILL NO. 506
2 INTRODUCED BY Sen. [Signature]
3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ADD "REPAIR" AND
6 "MAINTENANCE" TO THE DEFINITION OF "CONSTRUCTION"; TO EXEMPT
7 REPAIR AND MAINTENANCE PROJECTS FROM THE REQUIREMENT THAT
8 THE BOARD OF EXAMINERS APPROVE PROJECTS OVER \$25,000 AND THE
9 REQUIREMENT THAT A PRIVATE ARCHITECT OR CONSULTING ENGINEER
10 BE RETAINED FOR SUCH PROJECTS; AMENDING SECTIONS 18-2-101,
11 18-2-103, 18-2-111, AND 18-2-112, MCA; AND PROVIDING AN
12 IMMEDIATE EFFECTIVE DATE."
13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
15 Section 1. Section 18-2-101, MCA, is amended to read:
16 "18-2-101. Definitions of building and construction.
17 In part 1 of this chapter, with the exception of 18-2-104,
18 18-2-107, 18-2-113, 18-2-114, and 18-2-122:
19 (1) "building" includes:
20 (a) a building, facility, or structure constructed or
21 purchased wholly or in part with state moneys;
22 (b) a building, facility, or structure at a state
23 institution;
24 (c) a building, facility, or structure owned or to be
25 owned by a state agency, including the department of

1 highways;
2 (2) "building" does not include:
3 (a) a building, facility, or structure owned or to be
4 owned by a county, city, town, school district, or special
5 improvement district;
6 (b) a facility or structure used as a component part
7 of a highway or water conservation project;
8 (3) "construction" includes the construction,
9 alteration, ~~repair, maintenance,~~ and remodeling of a
10 building, and the equipping and furnishing of a building
11 during construction, alteration, ~~repair, maintenance,~~ and
12 remodeling, ~~but does not include the repair or maintenance~~
13 ~~of an existing building."~~
14 Section 2. Section 18-2-103, MCA, is amended to read:
15 "18-2-103. Supervision of construction of buildings.
16 (1) ~~For Except as provided in subsection (2), for the~~
17 construction of a building costing more than \$25,000, the
18 department of administration shall:
19 (a) review and approve all plans and working drawings
20 prepared by architects;
21 (b) approve all bond issues or other financial
22 arrangements and supervise and approve the expenditure of
23 all moneys;
24 (c) under the supervision and with the approval of the
25 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;

(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.

~~(2) For repair and maintenance projects, the supervision, approval, and consent of the board of examiners are not required.~~

~~(2)(3)~~ Before any contract under subsection (1) is awarded, two formal bids must have been received, if reasonably available.

~~(3)(4)~~ The department of administration is responsible for concurring in construction projects where the proposed cost is less than \$25,000 but more than \$5,000. Before any contract under this subsection is approved for construction, alteration, ~~repairs, maintenance,~~ 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.

~~(4)(5)~~ The department need not require the provisions of Montana law relating to advertising, biddings, or supervision where proposed construction costs are less than \$5,000.

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

~~(6)(7)~~ It is the intent of the legislature that student housing and other facilities constructed under the authority of the regents of the university system are subject to the provisions of subsections (1) and ~~(2)~~ (3) of this section."

Section 3. Section 18-2-111, MCA, is amended to read:

"18-2-111. Policy regarding practice of architecture

— preparation of working drawings by department limited.

(1) It is the policy of the state not to engage in the practice of architecture; however, this policy shall not be construed as prohibiting the department of administration from:

(a) engaging in preplanning functions necessary to

1 prepare a building program for presentation to the
2 legislature;

3 (b) supervising construction as provided in
4 18-2-105(6); or

5 (c) preparing working drawings for minor projects.

6 (2) The department of administration is expressly
7 prohibited from preparing working drawings for the
8 construction of a building, with the exception of repair or
9 maintenance projects, when the total cost of the
10 construction will exceed \$25,000."

11 Section 4. Section 18-2-112, MCA, is amended to read:

12 "18-2-112. Appointment of architects and consulting
13 engineers. The department of administration shall appoint
14 any architect or consulting engineer retained for work on
15 any building to be constructed, remodeled, or renovated by
16 the state of Montana, its boards, institutions, and agencies
17 from a list of three architects or consulting engineers
18 proposed by the state board, institution, or agency where
19 the work is to be done. Such appointment shall be subject to
20 the approval of the state board of examiners. The
21 department need not appoint an architect or consulting
22 engineer for repair or maintenance projects."

23 NEW SECTION. Section 5. Effective date. This act is
24 effective on passage and approval.

-End-

Approved by Committee
on State Administration

House BILL NO. 506

INTRODUCED BY Sen. Day
BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO ADD "REPAIR" AND "MAINTENANCE" TO THE DEFINITION OF "CONSTRUCTION"; TO EXEMPT REPAIR AND MAINTENANCE PROJECTS FROM THE REQUIREMENT THAT THE BOARD OF EXAMINERS APPROVE PROJECTS OVER \$25,000 AND THE REQUIREMENT THAT A PRIVATE ARCHITECT OR CONSULTING ENGINEER BE RETAINED FOR SUCH PROJECTS; AMENDING SECTIONS 18-2-101, 18-2-103, 18-2-111, AND 18-2-112, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 18-2-101, MCA, is amended to read:

"18-2-101. Definitions of building and construction.

In part 1 of this chapter, with the exception of 18-2-104, 18-2-107, 18-2-113, 18-2-114, and 18-2-122:

(1) "building" includes:

(a) a building, facility, or structure constructed or purchased wholly or in part with state moneys;

(b) a building, facility, or structure at a state institution;

(c) a building, facility, or structure owned or to be owned by a state agency, including the department of

highways;

(2) "building" does not include:

(a) a building, facility, or structure owned or to be owned by a county, city, town, school district, or special improvement district;

(b) a facility or structure used as a component part of a highway or water conservation project;

(3) "construction" includes the construction, alteration, ~~repairs, maintenance,~~ and remodeling of a building, and the equipping and furnishing of a building during construction, alteration, ~~repairs, maintenance,~~ and remodeling--~~but does not include the repair or maintenance of an existing building.~~"

Section 2. Section 18-2-103, MCA, is amended to read:

"18-2-103. Supervision of construction of buildings.

(1) ~~For Except as provided in subsection (2), for the~~ construction of a building costing more than \$25,000, the department of administration shall:

(a) review and approve all plans and working drawings prepared by architects;

(b) approve all bond issues or other financial arrangements and supervise and approve the expenditure of all moneys;

(c) under the supervision and with the approval of the board of examiners, solicit, accept, and reject bids and

1 award all contracts to the lowest qualified bidder
2 considering conformity with specifications and terms and
3 reasonableness of bid amount;

4 (d) review and, with the consent of the board of
5 examiners, approve all change orders;

6 (e) accept the building when completed according to
7 approved plans and specifications.

8 ~~(2) For repair and maintenance projects, the~~
9 ~~supervision, approval, and consent of the board of examiners~~
10 ~~are not required.~~

11 ~~(2)(3)~~ Before any contract under subsection (1) is
12 awarded, two formal bids must have been received, if
13 reasonably available.

14 ~~(3)(4)~~ The department of administration is responsible
15 for concurring in construction projects where the proposed
16 cost is less than \$25,000 but more than \$5,000. Before any
17 contract under this subsection is approved for construction,
18 alteration, ~~repairs, maintenance,~~ or improvement at least
19 three informal bids, if reasonably available, shall be
20 procured from bona fide contractors duly licensed as such in
21 the state of Montana.

22 ~~(4)(5)~~ The department need not require the provisions
23 of Montana law relating to advertising, bidding, or
24 supervision where proposed construction costs are less than
25 \$5,000.

1 ~~(5)(6)~~ For the construction of buildings owned or to
2 be owned by a school district, the department of
3 administration shall, upon request, provide inspection to
4 insure compliance with the plans and specifications for the
5 construction of such buildings. "Construction" shall include
6 construction, repair, alteration, equipping, and furnishing
7 during construction, repair, or alteration. These services
8 shall be provided at a cost to be contracted for between the
9 department of administration and the school district, with
10 the receipts to be deposited in the department of
11 administration's construction revolving account in the
12 revolving fund.

13 ~~(6)(7)~~ It is the intent of the legislature that
14 student housing and other facilities constructed under the
15 authority of the regents of the university system are
16 subject to the provisions of subsections (1) and ~~(2)(3)~~ of
17 this section."

18 Section 3. Section 18-2-111, MCA, is amended to read:

19 "18-2-111. Policy regarding practice of architecture
20 — preparation of working drawings by department limited.

21 (1) It is the policy of the state not to engage in the
22 practice of architecture; however, this policy shall not be
23 construed as prohibiting the department of administration
24 from:

25 (a) engaging in preplanning functions necessary to

1 prepare a building program for presentation to the
2 legislature;

3 (b) supervising construction as provided in
4 18-2-105(6); or

5 (c) preparing working drawings for minor projects.

6 (2) The department of administration is expressly
7 prohibited from preparing working drawings for the
8 construction of a building, with the exception of repair or
9 maintenance projects, when the total cost of the
10 construction will exceed \$25,000."

11 Section 4. Section 18-2-112, MCA, is amended to read:

12 "18-2-112. Appointment of architects and consulting
13 engineers. The department of administration shall appoint
14 any architect or consulting engineer retained for work on
15 any building to be constructed, remodeled, or renovated by
16 the state of Montana, its boards, institutions, and agencies
17 from a list of three architects or consulting engineers
18 proposed by the state board, institution, or agency where
19 the work is to be done. Such appointment shall be subject to
20 the approval of the state board of examiners. The
21 department need not appoint an architect or consulting
22 engineer for repair or maintenance projects."

23 NEW SECTION. Section 5. Effective date. This act is
24 effective on passage and approval.

-End-

House BILL NO. 506

INTRODUCED BY Shadley

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO ADD "REPAIR" AND "MAINTENANCE" TO THE DEFINITION OF "CONSTRUCTION"; TO EXEMPT REPAIR AND MAINTENANCE PROJECTS FROM THE REQUIREMENT THAT THE BOARD OF EXAMINERS APPROVE PROJECTS OVER \$25,000 AND THE REQUIREMENT THAT A PRIVATE ARCHITECT OR CONSULTING ENGINEER BE RETAINED FOR SUCH PROJECTS; AMENDING SECTIONS 18-2-101, 18-2-103, 18-2-111, AND 18-2-112, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 18-2-101, MCA, is amended to read:

"18-2-101. Definitions of building and construction.

In part 1 of this chapter, with the exception of 18-2-104, 18-2-107, 18-2-113, 18-2-114, and 18-2-122:

(1) "building" includes:

(a) a building, facility, or structure constructed or purchased wholly or in part with state moneys;

(b) a building, facility, or structure at a state institution;

(c) a building, facility, or structure owned or to be owned by a state agency, including the department of

highways;

(2) "building" does not include:

(a) a building, facility, or structure owned or to be owned by a county, city, town, school district, or special improvement district;

(b) a facility or structure used as a component part of a highway or water conservation project;

(3) "construction" includes the construction, alteration, repair, maintenance, and remodeling of a building, and the equipping and furnishing of a building during construction, alteration, repair, maintenance, and remodeling, ~~but does not include the repair or maintenance of an existing building.~~

Section 2. Section 18-2-103, MCA, is amended to read:

"18-2-103. Supervision of construction of buildings.

(1) ~~For Except as provided in subsection (2), for the~~ construction of a building costing more than \$25,000, the department of administration shall:

(a) review and approve all plans and working drawings prepared by architects;

(b) approve all bond issues or other financial arrangements and supervise and approve the expenditure of all moneys;

(c) under the supervision and with the approval of the board of examiners, solicit, accept, and reject bids and

THIRD READING

1 award all contracts to the lowest qualified bidder
2 considering conformity with specifications and terms and
3 reasonableness of bid amount;

4 (d) review and, with the consent of the board of
5 examiners, approve all change orders;

6 (e) accept the building when completed according to
7 approved plans and specifications.

8 ~~(2) For repair and maintenance projects, the~~
9 ~~supervision, approval, and consent of the board of examiners~~
10 ~~are not required.~~

11 ~~(2)(3)~~ Before any contract under subsection (1) is
12 awarded, two formal bids must have been received, if
13 reasonably available.

14 ~~(3)(4)~~ The department of administration is responsible
15 for concurring in construction projects where the proposed
16 cost is less than \$25,000 but more than \$5,000. Before any
17 contract under this subsection is approved for construction,
18 alteration, ~~repair, maintenance,~~ or improvement at least
19 three informal bids, if reasonably available, shall be
20 procured from bona fide contractors duly licensed as such in
21 the state of Montana.

22 ~~(4)(5)~~ The department need not require the provisions
23 of Montana law relating to advertising, bidding, or
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25 \$5,000.

1 ~~(5)(6)~~ For the construction of buildings owned or to
2 be owned by a school district, the department of
3 administration shall, upon request, provide inspection to
4 insure compliance with the plans and specifications for the
5 construction of such buildings. "Construction" shall include
6 construction, repair, alteration, equipping, and furnishing
7 during construction, repair, or alteration. These services
8 shall be provided at a cost to be contracted for between the
9 department of administration and the school district, with
10 the receipts to be deposited in the department of
11 administration's construction revolving account in the
12 revolving fund.

13 ~~(4)(7)~~ It is the intent of the legislature that
14 student housing and other facilities constructed under the
15 authority of the regents of the university system are
16 subject to the provisions of subsections (1) and ~~(2)(3)~~ of
17 this section."

18 Section 3. Section 18-2-111, MCA, is amended to read:

19 "18-2-111. Policy regarding practice of architecture
20 — preparation of working drawings by department limited.

21 (1) It is the policy of the state not to engage in the
22 practice of architecture; however, this policy shall not be
23 construed as prohibiting the department of administration
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1 prepare a building program for presentation to the
2 legislature;

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4 18-2-105(6); or

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6 (2) The department of administration is expressly
7 prohibited from preparing working drawings for the
8 construction of a building, with the exception of repair or
9 maintenance projects, when the total cost of the
10 construction will exceed \$25,000."

11 Section 4. Section 18-2-112, MCA, is amended to read:

12 "18-2-112. Appointment of architects and consulting
13 engineers. The department of administration shall appoint
14 any architect or consulting engineer retained for work on
15 any building to be constructed, remodeled, or renovated by
16 the state of Montana, its boards, institutions, and agencies
17 from a list of three architects or consulting engineers
18 proposed by the state board, institution, or agency where
19 the work is to be done. Such appointment shall be subject to
20 the approval of the state board of examiners. The
21 department need not appoint an architect or consulting
22 engineer for repair or maintenance projects."

23 NEW SECTION. Section 5. Effective date. This act is
24 effective on passage and approval.

-End-

March 15, 1983

SENATE STANDING COMMITTEE REPORT
(State Administration)

That House Bill No. 506 be amended as follows:

1. Page 2, line 16.
Strike: "Exeept as provided in subsection (2), for"
Insert: "For"
2. Page 4, line 16.
Strike: "and"
Insert: "through"

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Section 2. Section 18-2-103, MCA, is amended to read:

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(c) under the supervision and with the approval of the board of examiners, solicit, accept, and reject bids and

1 award all contracts to the lowest qualified bidder
2 considering conformity with specifications and terms and
3 reasonableness of bid amount;

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5 examiners, approve all change orders;

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7 approved plans and specifications.

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12 awarded, two formal bids must have been received, if
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21 the state of Montana.

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23 of Montana law relating to advertising, bidding, or
24 supervision where proposed construction costs are less than
25 \$5,000.

1 ~~†5†(6)~~ For the construction of buildings owned or to
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11 administration's construction revolving account in the
12 revolving fund.

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14 student housing and other facilities constructed under the
15 authority of the regents of the university system are
16 subject to the provisions of subsections (1) and ~~INSTEAD~~ ~~†2†~~
17 ~~(3)~~ of this section."

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19 "18-2-111. Policy regarding practice of architecture
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