

SENATE BILL NO. 134

INTRODUCED BY MOHAR, QUILICI, HAFNEY

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE SENATE

January 18, 1985	Introduced and referred to Committee on State Administration.
February 1, 1985	Committee recommend bill do pass. Report adopted.
February 2, 1985	Bill printed and placed on members' desks.
February 4, 1985	Second reading, do pass.
February 5, 1985	Considered correctly engrossed.
February 6, 1985	Third reading, not passed. Ayes, 23; Noes, 26.
February 7, 1985	On motion, Senate reconsider its action in failing to adopt SB 134 on third reading and that SB 134 be placed on second reading on the 29th Legislative Day. Motion adopted.
February 9, 1985	Second reading, do pass as amended.
February 11, 1985	Correctly engrossed.
February 12, 1985	Third reading, passed. Ayes, 45; Noes, 5.
	Transmitted to House.

IN THE HOUSE

February 27, 1985	Introduced and referred to Committee on State Administration.
March 12, 1985	Committee recommend bill be concurred in as amended. Report adopted.
March 14, 1985	Second reading, concurred in.
March 16, 1985	Third reading, concurred in.  Returned to Senate with amendments.

IN THE SENATE

March 16, 1985	Received from House.
March 21, 1985	Second reading, amendments concurred in.
March 23, 1985	Third reading, amendments concurred in. Ayes, 46; Noes, 3.  Sent to enrolling.  Reported correctly enrolled.

1 *Senate* BILL NO. *134*  
 2 INTRODUCED BY *Moran* *Lucas* *Haffay*  
 3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION  
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PERMIT NEGOTIATION  
 6 WITH THE LOWEST RESPONSIBLE BIDDER ON BUILDING CONSTRUCTION  
 7 PROJECTS WHEN ALL BIDS CAUSE THE PROJECT COSTS TO EXCEED THE  
 8 APPROPRIATED FUNDS; AMENDING SECTION 18-2-105, MCA; AND  
 9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
 10

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

12 Section 1. Section 18-2-105, MCA, is amended to read:  
 13 "18-2-105. General powers and duties of department of  
 14 administration. In carrying out powers relating to the  
 15 construction of buildings, the department of administration  
 16 may:

- 17 (1) inspect buildings not under construction;
- 18 (2) contract with the federal government for advance  
 19 planning funds;
- 20 (3) purchase, lease, and acquire by exchange or  
 21 otherwise, land and buildings in Lewis and Clark County and  
 22 equipment and furnishings for such buildings;
- 23 (4) issue and sell bonds and other securities;
- 24 (5) maintain an inventory of all buildings;
- 25 (6) appoint a project representative to supervise

1 architects' and consulting engineers' inspection of  
 2 construction of buildings to assure that all construction is  
 3 in accordance with the contracts, plans, and specifications.  
 4 The cost of supervision may be charged against moneys  
 5 available for construction.

6 (7) when all responsible bids cause the project cost  
 7 to exceed the project appropriation, negotiate an adjustment  
 8 of the bid price with the lowest responsible bidder in order  
 9 to bring the project cost within the appropriation.  
 10 Negotiations may not concern alterations in the plans or  
 11 specifications that would substantially alter the scope of  
 12 the project as approved by the legislature."

13 NEW SECTION. Section 2. Extension of authority. Any  
 14 existing authority of the department of administration to  
 15 make rules on the subject of the provisions of this act is  
 16 extended to the provisions of this act.

17 NEW SECTION. Section 3. Effective date. This act is  
 18 effective on passage and approval.

-End-



Senate BILL NO. 134

INTRODUCED BY Moran, Quilley, Kaffay  
BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO PERMIT NEGOTIATION WITH THE LOWEST RESPONSIBLE BIDDER ON BUILDING CONSTRUCTION PROJECTS WHEN ALL BIDS CAUSE THE PROJECT COSTS TO EXCEED THE APPROPRIATED FUNDS; AMENDING SECTION 18-2-105, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 18-2-105, MCA, is amended to read:

"18-2-105. General powers and duties of department of administration. In carrying out powers relating to the construction of buildings, the department of administration may:

- (1) inspect buildings not under construction;
- (2) contract with the federal government for advance planning funds;
- (3) purchase, lease, and acquire by exchange or otherwise, land and buildings in Lewis and Clark County and equipment and furnishings for such buildings;
- (4) issue and sell bonds and other securities;
- (5) maintain an inventory of all buildings;
- (6) appoint a project representative to supervise

architects' and consulting engineers' inspection of construction of buildings to assure that all construction is in accordance with the contracts, plans, and specifications. The cost of supervision may be charged against moneys available for construction.

(7) when all responsible bids cause the project cost to exceed the project appropriation, negotiate an adjustment of the bid price with the lowest responsible bidder in order to bring the project cost within the appropriation. Negotiations may not concern alterations in the plans or specifications that would substantially alter the scope of the project as approved by the legislature."

NEW SECTION. Section 2. Extension of authority. Any existing authority of the department of administration to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 3. Effective date. This act is effective on passage and approval.

-End-



-2-  
SECOND READING  
SB 134

1 *Senate* BILL NO. *134*  
 2 INTRODUCED BY *Madam Lulien Haffey*  
 3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

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THIRD READING  
 SB 134

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6 ~~(7) when--all--responsible-bids-cause-the-project-cost~~  
7 ~~to-exceed-the-project-appropriation, negotiate an adjustment~~  
8 ~~of-the-bid-price-with-the-lowest-responsible-bidder-in-order~~  
9 ~~to--bring--the--project--cost--within--the--appropriation.~~  
10 ~~Negotiations--may--not--concern--alterations-in-the-plans-or~~  
11 ~~specifications-that-would-substantially-alter-the--scope--of~~  
12 ~~the--project--as--approved--by--the--legislature; NEGOTIATE~~  
13 ~~DEDUCTIVE CHANGES, NOT TO EXCEED 3% OF THE TOTAL COST OF A~~  
14 ~~PROJECT, WITH THE LOWEST RESPONSIBLE BIDDER WHEN THE LOWEST~~  
15 ~~RESPONSIBLE BID CAUSES THE PROJECT COST TO EXCEED THE~~  
16 ~~APPROPRIATION OR WITH THE LOWEST RESPONSIBLE BIDDERS, IF~~  
17 ~~MULTIPLE CONTRACTS WILL BE AWARDED ON THE PROJECT, WHEN THE~~  
18 ~~TOTAL OF THE LOWEST RESPONSIBLE BIDS CAUSES THE PROJECT COST~~  
19 ~~TO EXCEED THE APPROPRIATION. A BIDDER IS NOT REQUIRED TO~~  
20 ~~NEGOTIATE HIS BID BUT IS REQUIRED TO HONOR HIS BID FOR THE~~  
21 ~~TIME SPECIFIED IN THE BIDDING DOCUMENTS. THE DEPARTMENT MAY~~  
22 ~~TERMINATE NEGOTIATIONS AT ANY TIME. ANY CONTRACT AWARD~~  
23 ~~RESULTING FROM NEGOTIATION IS SUBJECT TO THE APPROVAL OF THE~~  
24 ~~BOARD OF EXAMINERS."~~

25 NEW SECTION. Section 2. Extension of authority. Any

SB 0134/02

1 existing authority of the department of administration to  
2 make rules on the subject of the provisions of this act is  
3 extended to the provisions of this act.

4 NEW SECTION. Section 3. Effective date. This act is  
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-End-

March 12 1985

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration SENATE Bill No. 134

Third reading copy ( Blue ), Second Printing  
color

**NEGOTIATION TO BRING CONSTRUCTION BID WITHIN APPROPRIATION**

Respectfully report as follows: That SENATE Bill No. 134

**BE AMENDED AS FOLLOWS:**

- 1) Page 2, line 13
- Strike: "3%"
- Insert: "7%"

AS-

AND AS AMENDED  
BE CONCURRED IN

~~XOXKASS~~

JW 3/12

Walter R. Sales  
Walter R. Sales, Chairman.



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