

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 51  
Commerce Committee Substitute Adopted 2/23/99  
House Committee Substitute Favorable 3/25/99

Short Title: Highway Contract Bonding Req'ments.

(Public)

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Sponsors:

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Referred to:

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February 8, 1999

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE LAW GOVERNING HIGHWAY SMALL PROJECT  
3 BIDDING.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 136-28.10(a) reads as rewritten:

6 "(a) Notwithstanding the provisions of G.S. 136-28.4(b), for Highway Fund or  
7 Highway Trust Fund projects of ~~three hundred thousand dollars (\$300,000)~~ five hundred  
8 thousand dollars (\$500,000) or less, the Board of Transportation may, after soliciting at  
9 least three informal bids in writing from Small Business Enterprises, award contracts to  
10 the lowest responsible bidder. The Department of Transportation may identify projects  
11 likely to attract increased participation by Small Business Enterprises, and restrict the  
12 solicitation and award to those bidders. The Board of Transportation may delegate full  
13 authority to award contracts, adopt necessary rules, and administer the provisions of this  
14 section to the Secretary of Transportation."

15 Section 2. G.S. 136-28.1(a) reads as rewritten:

16 "(a) All contracts over ~~five eight hundred thousand dollars (\$500,000)~~ (\$800,000)  
17 that the Department of Transportation may let for construction or repair necessary to  
18 carry out the provisions of this Chapter shall be let to a responsible bidder after public

1 advertising under rules and regulations to be made and published by the Department of  
2 Transportation. The right to reject any and all bids shall be reserved to the Board of  
3 Transportation. Contracts for construction or repair for federal aid projects entered into  
4 pursuant to this section shall not contain the standardized contract clauses prescribed by  
5 23 U.S.C. § 112(e) and 23 C.F.R. § 635.131(a) for differing site conditions, suspensions  
6 of work ordered by the engineer or significant changes in the character of the work. The  
7 Department of Transportation shall use only the contract provisions provided in the North  
8 Carolina Department of Transportation, Standard Specifications for Roads and  
9 Structures, January 1, 1984, except as each may be changed or provided for by rule  
10 adopted by the Board of Transportation in accordance with the Administrative Procedure  
11 Act."

12 Section 3. G.S. 136-28.1(b) reads as rewritten:

13 "(b) In those cases in which the amount of work to be let to contract for highway  
14 construction, maintenance, or repair is ~~five-eight~~ hundred thousand dollars (~~\$500,000~~)  
15 (\$800,000) or less, at least three informal bids shall be solicited. The term 'informal bids'  
16 is defined as bids in writing, received pursuant to a written request, without public  
17 advertising. All such contracts shall be awarded to the lowest responsible bidder. The  
18 Secretary of Transportation shall keep a record of all bids submitted, which record shall  
19 be subject to public inspection at any time after the bids are opened."

20 Section 4. This act is effective when it becomes law.