



AN ACT INCREASING THE LIMIT ON CONTRACTS FOR ARCHITECTURAL, ENGINEERING, AND LAND SURVEYING SERVICES THAT MAY BE DIRECTLY NEGOTIATED BY A GOVERNMENTAL AGENCY; AMENDING SECTIONS 18-8-212 AND 85-1-219, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

Section 1. Section 18-8-212, MCA, is amended to read:

"18-8-212. Exception. (1) All agencies securing architectural, engineering, and land surveying services for projects for which the fees are estimated not to exceed ~~\$10,000~~ \$20,000 may contract for those professional services by direct negotiation.

(2) ~~No~~ An agency may not separate service contracts or split or break projects for the purpose of circumventing the provisions of this part."

Section 2. Section 85-1-219, MCA, is amended to read:

"85-1-219. State-owned works -- department approval -- bids -- procurement of goods and services. (1) For all state-owned works constructed, repaired, altered, improved, maintained, rehabilitated, or reconstructed, the department shall:

(a) review and approve all plans and working drawings prepared by engineers or architects, if any;
 (b) approve all bond issues or other financial arrangements and supervise and approve the expenditure of all money;

(c) 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 approve all change orders;

(e) accept the works when completed according to approved plans and specifications.

(2) Except as provided in subsection (3), the department shall solicit sealed, competitive bids before awarding a contract under subsection (1) and may award a contract only after receipt of at least one bid, if reasonably available.

(3) The department may negotiate a contract, without competitive bidding, with a contractor qualified to

do business in Montana if:

- (a) the department rejects all bids for the work;
- (b) an emergency threatening life or property exists;
- (c) the proposed construction costs are \$50,000 or less;
- (d) an exigency exists; ~~or~~
- (e) the cost of goods, nonconstruction services, or professional services is \$15,000 or less; or
- (f) the cost of architectural, engineering, and land surveying services is \$20,000 or less.

(4) (a) Except as provided in subsection (4)(b), the provisions of Title 18, chapter 2, parts 2 through 4, apply to contracts awarded for construction under this section.

(b) The provisions of Title 18, chapter 2, parts 2 and 3, do not apply to contracts for which the proposed construction costs are \$50,000 or less.

(c) The requirements of Title 18, chapter 4, do not apply to contracts for which the cost of goods or nonconstruction services is \$15,000 or less.

(d) (i) ~~The~~ Except as provided in subsection (4)(d)(ii), the department may contract for professional services by direct negotiation when the cost of professional services covered by the contract does not exceed \$15,000.

(ii) The department may contract for architectural, engineering, and land surveying services by direct negotiation when the cost of the services covered by the contract does not exceed \$20,000.

(iii) The department may not separate service contracts or split or break projects for the purpose of circumventing the provisions of Title 18, chapter 8, part 2."

Section 3. Effective date. [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,
SB 0045, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2019.

Speaker of the House

Signed this _____ day
of _____, 2019.

SENATE BILL NO. 45
INTRODUCED BY GEBHARDT

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