

2019 Regular Session

SENATE BILL NO. 233

BY SENATOR GARY SMITH

PUBLIC WORKS. Increases "contract limit" that requires public bid for public work related to drainage projects done by regular maintenance employees in St. Charles Parish. (8/1/19)

1 AN ACT

2 To amend and reenact R.S. 38:2212(C)(1) and to enact R.S. 38:2212(C)(4), relative to public  
3 works projects let by St. Charles Parish; to raise the threshold dollar amount that  
4 requires a public bid; and to provide for related matters.

5 Notice of intention to introduce this Act has been published.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 38:2212(C)(1) is hereby amended and reenacted and R.S.  
8 38:2212(C)(4) is hereby enacted to read as follows:

9 §2212. Advertisement and letting to lowest responsible and responsive bidder;  
10 public work; electronic bidding; participation in mentor-protégé  
11 program; exemptions

12 \* \* \*

13 C.(1) Except as provided in Paragraphs (2), ~~and (3),~~ **and (4)** of this  
14 Subsection, the term "contract limit" as used ~~herein~~ **in this Section** shall be equal to  
15 the sum of one hundred fifty thousand dollars per project, including labor, materials,  
16 and equipment as per the rates in the latest edition of the Associated Equipment  
17 Dealers Rental Rate Book and administrative overhead not to exceed fifteen percent,

1 provided that beginning February 1, 2015, and annually on February first of each  
 2 subsequent year, the office of facility planning and control within the division of  
 3 administration shall adjust the "contract limit" by an amount not to exceed the annual  
 4 percentage increase in the Consumer Price Index in the preceding year. The office  
 5 of facility planning and control within the division of administration shall publish the  
 6 new contract limit for public works contracts in the Louisiana Register in January of  
 7 each year.

8 \* \* \*

9 **(4) For public work related to drainage projects to be done by the**  
 10 **regular maintenance employees of the St. Charles Parish governing authority,**  
 11 **the term "contract limit" shall be equal to the sum of two hundred fifty**  
 12 **thousand dollars per project, including labor, materials, and equipment as per**  
 13 **the rates in the latest edition of the Associated Equipment Dealers Rental Rate**  
 14 **Book and administrative overhead not to exceed fifteen percent, provided that**  
 15 **beginning February 1, 2021, and annually on February first of each subsequent**  
 16 **year, the office of facility planning and control within the division of**  
 17 **administration shall adjust the "contract limit" by an amount not to exceed the**  
 18 **annual percentage increase in the Consumer Price Index in the preceding year.**  
 19 **The office of facility planning and control within the division of administration**  
 20 **shall publish the new contract limit for public works contracts let by the**  
 21 **St. Charles Parish governing authority in the Louisiana Register in January of**  
 22 **each year beginning in January 2021. The provisions of this Paragraph shall**  
 23 **terminate on June 30, 2020.**

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Dawn Romero Watson.

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Present law provides that all public work exceeding the contract limit, including labor and materials, to be done by a public entity shall be advertised and let by contract to the lowest responsible and responsive bidder who bid according to the bidding documents as

advertised, and that no such public work shall be done except as provided in present law.

Present law provides, with certain exceptions, that the term "contract limit" shall be equal to the sum of \$150,000 per project, including labor, materials, and equipment as per the rates in the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed 15%. Provides that beginning February 1, 2015, and annually on February 1st of each subsequent year, the office of facility planning and control within the division of administration shall adjust the "contract limit" by an amount not to exceed the annual percentage increase in the Consumer Price Index in the preceding year. The contract limit published in the Louisiana Register in the January 2019 edition is \$157,700.

Proposed law provides an exception to the "contract limit" definition for public work related to drainage projects to be done by regular maintenance employees of the St. Charles Parish governing authority. Provides that the term "contract limit" shall be equal to the sum of \$250,000 per project, including labor, materials, and equipment as per the rates in the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed 15%. Provides that beginning February 1, 2021, and annually on February 1st of each subsequent year, the office of facility planning and control within the division of administration shall adjust the "contract limit" by an amount not to exceed the annual percentage increase in the Consumer Price Index in the preceding year. The office of facility planning and control within the division of administration shall publish the new contract limit for public works contracts let by the St. Charles Parish governing authority in the Louisiana Register in January of each year.

Proposed law sunsets "contract limit" exception for St. Charles Parish on June 30, 2020.

Effective August 1, 2019.

(Amends R.S. 38:2212(C)(1); adds R.S. 38:2212(C)(4))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the original bill

1. Adds that "contract limit" exception of \$250,000 applies to public work related to drainage projects to be done by the regular maintenance employees of the St. Charles Parish governing authority.
2. Sunsets "contract limit" exception for St. Charles Parish drainage projects on June 30, 2020.
3. Removes and retains present law provisions that allow public entities to use regular maintenance employees for labor in the maintenance, construction, or extension of publicly owned and operated utilities.

##### Floor Amendments to the engrossed bill

1. Makes legislative bureau technical corrections.