

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2197**

Introduced by

Senators Erbele, Vedaa, Dotzenrod

Representatives Beadle, Pyle, Vetter

1 A BILL for an Act to amend and reenact sections 24-05-04 and 48-01.2-07 of the North Dakota
2 Century Code, relating to highway improvement contracts to be advertised; and to repeal
3 section 24-05-04.2 of the North Dakota Century Code, relating to contracts for road
4 construction.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 24-05-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **24-05-04. Contracts to be advertised - Road construction - Requirements for rental**
9 **contracts.**

- 10 1. If a contract for a highway improvement exceeds one hundred thousand dollars, the
11 board of county commissioners shall seek bids by publishing an advertisement at least
12 once each week for two consecutive weeks in the official newspaper of the county and
13 in other newspapers as the board deems advisable. The first publication must be
14 made at least fifteen days before the day set for the opening of the bids. For any
15 contract for a highway improvement that exceeds fifty thousand dollars but does not
16 exceed one hundred thousand dollars, the county, when possible, shall seek quotes
17 from at least two contractors.
- 18 2. A purchase of county road machinery and any rental contract or agreement for the use
19 of road machinery and other articles, except necessary repairs for road machinery,
20 which exceeds the sum of fifty thousand dollars must be advertised ~~as provided by law~~
21 ~~for the purchase of county supplies~~ by publishing an advertisement for bids at least
22 once each week for two consecutive weeks in the official newspaper of the county and
23 in any other newspapers as the board deems advisable. The first publication must be
24 made at least fifteen days before the day set for the opening of the bids. The board of

1 county commissioners may not enter a rental contract or agreement for the use of
2 road machinery and other articles for a longer period than twelve months from the date
3 of the rental contract or agree to pay rental for the use of road machinery and other
4 articles which would result in the lessor receiving rental at a rate in excess of twenty
5 percent per year of the cash sale price of the road machinery or other articles. The
6 cash sale price of the road machinery and other articles must be clearly set forth in
7 any rental contract for road machinery and other articles and failure to include this
8 data in any rental contract for the use of road machinery and other articles renders the
9 rental contract void. A payment made under a void rental contract is recoverable from
10 the county commissioners making the contract, jointly and severally.

11 2-3. Notwithstanding the provisions of this section relating to the duration of rental
12 contracts, the board of county commissioners may enter lease-purchase agreements
13 for the road machinery and articles covered by this section if those agreements
14 provide for the complete performance and full payment of the purchase price of the
15 machinery or articles within seven years from the date of the execution of the
16 lease-purchase agreement according to section 44-08-01.1.

17 4. Bids received under this section must be opened and awarded under the procedure
18 provided in section 48-01.2-07.

19 **SECTION 2. AMENDMENT.** Section 48-01.2-07 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **48-01.2-07. Opening of bids - Award of contract.**

22 At the time and place specified in the notice, a governing body or its designated agent shall
23 open publicly and read aloud each responsible bid received ~~and~~. The governing body shall
24 award the contract to the lowest responsible bidder. A governing body may reject any and all
25 bids and readvertise for bids if no bid is satisfactory or if the governing body determines any
26 agreement has been entered by the bidders or others to prevent competition. The governing
27 body may advertise for new bids in accordance with this chapter until a satisfactory bid is
28 received.

29 **SECTION 3. REPEAL.** Section 24-05-04.2 of the North Dakota Century Code is repealed.