SENATE BILL No. 813

November 1, 2001, Introduced by Senator BULLARD and referred to the Committee on Transportation and Tourism.

A bill to amend 1925 PA 17, entitled

"An act to provide for the construction, improvement and maintenance of trunk line highways,"

by amending section 2 (MCL 250.62), as amended by 1987 PA 188.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. (1) The state transportation department may con-
- 2 tract with boards of county road commissioners, township boards,
- 3 and municipalities of this state, or with any other person, per-
- 4 sons, firm, or corporation for the construction, improvement, and
- 5 maintenance of trunk line highways, or it may do the work on
- 6 state account. The state transportation department, subject to
- 7 the approval of the state administrative board, shall do all acts
- 8 or things necessary to carry out the purpose of this act. The
- 9 state transportation department, without approval of the state
- 10 administrative board, may contract for extra work or labor, or

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- 1 both, not exceeding \$\frac{\$48,000.00}{}\$ \$80,000.00 per contract for
- 2 contracts having a value of \$800,000.00 or less and not exceeding
- 3 6% 10% per contract for contracts having a value over
- 4 \$800,000.00 under a contract with a private agency authorized by
- 5 this section, and for an amount not exceeding \$800,000.00 under a
- 6 contract with boards of county road commissioners, township
- 7 boards, and municipalities of this state, except that each job
- 8 for extra or additional work or labor, or both, in excess of
- 9 \$100,000.00 \$250,000.00 shall require approval of the state
- 10 administrative board.
- 11 (2) The state transportation department, without approval of
- 12 the state administrative board, may contract, for an amount not
- 13 exceeding \$20,000.00 \$100,000.00 for each contract, for toilet
- 14 vault cleaning, use of licensed sanitary landfills, pickup and
- 15 disposal of refuse, ROADSIDE MOWING, ROADSIDE PARK AND REST AREA
- 16 MAINTENANCE, pavement surfacing and patching, rental of equipment
- 17 for emergency repairs and maintenance operations, HIGHWAY
- 18 DRAINAGE, curb replacement, maintenance of office equipment,
- 19 installation of utility services, and installation of traffic
- 20 control devices, and OTHER HIGHWAY OPERATIONAL ACTIVITIES. THE
- 21 STATE TRANSPORTATION DEPARTMENT, without approval of the state
- 22 administrative board, may authorize boards of county road commis-
- 23 sioners, township boards, and municipalities, under contracts for
- 24 the maintenance of trunk line highways, to subcontract in amounts
- 25 not to exceed $\frac{$20,000.00}{}$ \$100,000.00 for each subcontract. THE
- 26 \$100,000.00 LIMIT FOR SUBCONTRACTS IN THIS SUBSECTION IS FOR
- 27 TOTAL EXPENDITURES, INCLUDING COST OVERRUNS AND EXTRAS. THE

SB 813, As Passed Senate, November 28, 2001

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- 1 DOLLAR AMOUNT LIMITS PROVIDED BY THIS SUBSECTION SHALL BE
- 2 ADJUSTED ON FEBRUARY 1 EACH YEAR BASED ON THE PERCENTAGE INCREASE
- 3 OR DECREASE OF THE DETROIT CONSUMER PRICE INDEX FOR THE 12-MONTH
- 4 STATE FISCAL YEAR ENDING THE PRECEDING SEPTEMBER 30. THE ADJUST-
- 5 MENT SHALL BE DETERMINED BY MULTIPLYING THE PERCENTAGE INCREASE
- 6 OR DECREASE IN THE DETROIT CONSUMER PRICE INDEX TIMES THE DOLLAR
- 7 LIMITATION PROVIDED BY THIS SUBSECTION AND ADDING THE PRODUCT TO
- 8 THE DOLLAR LIMITATION FOR THE PREVIOUS YEAR AS ADJUSTED BY THIS
- 9 SUBSECTION.
- 10 (3) The state administrative board may require that the
- 11 state transportation department file periodic reports with the
- 12 board on those contracts or authorizations for extra work or
- 13 labor, or both, that do not require approval by the state admin-
- 14 istrative board. The state administrative board shall establish
- 15 by resolution standards and procedures for these periodic
- 16 reports.
- 17 (4) $\frac{(2)}{(2)}$ The state transportation department, without
- 18 approval of the state administrative board, may contract with a
- 19 person, business, or governmental unit described in subsection
- 20 (1) OR (2) in a reasonable amount under conditions that the
- 21 department determines will require emergency action if a written
- 22 report of the nature of the contract and the emergency are trans-
- 23 mitted immediately to the state administrative board after the
- 24 contract is entered into.