Building Authority Minimum Standards and Criteria, Section 3, PROPOSED RULE CHANGE: MARK UP

3-101 CAPITAL IMPROVEMENTS

- (A) Whenever an Agency intends to construct buildings and facilities or to make repairs or additions and improvements to existing buildings and facilities, the procedures as outlined in this manual must shall be followed.
- (B) Capital improvement projects \$20,000 \$35,000 or less shall be exempt from ABA (Construction and Design Review Sections) oversight. Capital improvement projects in the amount of \$5,000.00 \$25,000 or less may be bid or made by the open market. These projects shall be known as a "Small Order."
- (C) Capital improvement projects which exceed \$5,000-\$25,000 and are \$20,000 \$35,000 or less (between \$5,000.01 \$25,000.01 and \$20,000.00 \$35,000) shall be contracted by contacting and requesting a minimum of three (3) bonafide bidders to bid the work. These projects shall be known as a "Quote Bid."
- (D) See §3-408 (E) for guidance pertaining to change orders which increases the contract above the exempt amount.



SEP 00 2817

BUREAU OF LEGISLATIVE RESEARCH

Stricken language would be delcted from and underlined language would be added to present law. Act 725 of the Regular Session

| 1 | State of Arkansas | 4 75 111 | |
|----|---|-------------------------------------|-----------------|
| 2 | 91st General Assembly | A Bill | |
| 3 | Regular Session, 2017 | | HOUSE BILL 1595 |
| 4 | | | |
| 5 | By: Representative Holcomb | | |
| 6 | By: Senator Caldwell | | |
| 7 | | | |
| 8 | | For An Act To Be Entitled | |
| 9 | AN ACT TO AMEND THE AWARD PROCEDURE FOR PUBLIC | | |
| 10 | IMPROVEMENT C | ONTRACTS; AND FOR OTHER PURPOSES. | |
| 11 | | | |
| 12 | | | |
| 13 | | Subtitle | |
| 14 | TO AMEND | THE AWARD PROCEDURE FOR PUBLIC | |
| 15 | IMPROVEM | MENT CONTRACTS. | |
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| 18 | BE IT ENACTED BY THE GENE | RAL ASSEMBLY OF THE STATE OF ARKANS | AS: |
| 19 | | | |
| 20 | SECTION 1. Arkansas Code § 22-9-202(b)(2)(C), concerning statutory | | |
| 21 | construction, is amended to read as follows: | | |
| 22 | (C) Construction work from one (1) or more separate | | |
| 23 | contractors under separate contract or invoice so that the work is not | | |
| 24 | included in calculating the bid requirement threshold of twenty thousand | | |
| 25 | dollars (\$20,000) thirty- | five thousand dollars (\$35,000). | |
| 26 | | | |
| 27 | SECTION 2. Arkansas | s Code § 22-9-202(c), concerning st | atutory |
| 28 | construction, is amended | to read as follows: | |
| 29 | (c) This section and §§ 22-9-203 and 22-9-204 do not amend or repeal | | |
| 30 | any law that requires the publication of notice in those instances in which | | |
| 31 | the estimated amount of the cost of the proposed improvements within the | | |
| 32 | scope of the contract is $\frac{1}{1}$ is $\frac{1}{1}$ twenty thousand dollars (\$20,000) $\frac{1}{1}$ more | | |
| 33 | than thirty-five thousand | dollars (\$35,000). | |
| 34 | | | |
| 35 | | roductory language of Arkansas Code | |
| 36 | concerning the award procedure for public improvements, is amended to read as | | |

I follows: 2 (a) Except as provided under § 14-58-105, a contract providing for the making of major repairs or alterations, for the erection of buildings or 3 4 other structures, or for making other permanent improvements shall not be 5 entered into by the state or an agency of the state or by a county, municipality, school district, or other local taxing unit with any contractor 6 7 in instances in which all estimated costs of the work shall exceed the sum of twenty thousand dollars (\$20,000) thirty-five thousand dollars (\$35,000) 8 9 unless: 10 SECTION 4. Arkansas Code § 22-9-203(c)(2)(A), concerning award 11 12 procedures and requirements, is amended to read as follows: 13 (2)(A)(i) Every bid submitted on public construction 14 contracts for any political subdivision of the state shall be is void unless 15 accompanied by a cashier's check drawn upon a bank or trust company doing 16 business in this state or by a corporate bid bond. 17 (ii) Every bid submitted on public construction contracts for the state or any agency or department of the state shall be is 18 void unless accompanied by a cashier's check drawn upon a bank or trust 19 20 company doing business in this state or by a corporate bid bond, except for 21 projects under twenty thousand dollars (\$20,000) thirty-five thousand dollars 22 (\$35,000).23 (iii) No \underline{A} bid bond shall be is not required for public construction contracts for the state or any agency or department of . 24 the state under or equal to twenty thousand dollars (\$20,000) thirty-five 25 26 thousand dollars (\$35,000). 27 28 SECTION 5. Arkansas Code § 22-9-209(a), concerning the renovation of 29 historic sites, is amended to read as follows: 30 (a) A contract for the altering, repairing, or renovation of a recognized historic site or structure owned by the State of Arkansas state or 31 32 with title vested in the name of a state agency or of another taxing authority in which the estimated cost of the work equals or exceeds the sum 33 34 of twenty thousand dollars (\$20,000) thirty-five thousand dollars (\$35,000) shall not be entered into between the state agency or taxing authority and

any contractor unless the state agency or taxing authority has first

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| 1 | published notice of intention to receive bids for improvements one (1) time | | |
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| 2 | each week for not less than two (2) consecutive weeks in a newspaper of | | |
| 3 | general circulation published in the county in which the proposed | | |
| 4 | improvements are to be made or in a trade journal reaching the construction | | |
| 5 | industry. | | |
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| 8 | APPROVED: 03/28/2017 | | |
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