

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1327*
Committee Substitute Favorable 8/12/98
Third Edition Engrossed 8/25/98

Short Title: School Construction Bidding.

(Public)

Sponsors:

Referred to:

May 19, 1998

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT THE RECOMMENDATION OF THE JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE TO ALLOW LOCAL SCHOOL ADMINISTRATIVE UNITS TO USE SINGLE-PRIME BIDDING, MULTI-PRIME BIDDING, OR BOTH, FOR CONSTRUCTION PROJECTS OVER FIVE HUNDRED THOUSAND DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-128 is amended by adding a new subsection to read:

"(d1) Local school administrative units; building projects over five hundred thousand dollars (\$500,000). – When the entire cost of the building project is more than five hundred thousand dollars (\$500,000), a local school administrative unit shall seek bids as provided in subsection (b) or (d) of this section or this subsection. The local school administrative unit shall award the contract to the lowest responsible bidder under the single-prime system or to the lowest responsible bidder under the separate-prime system, taking into consideration quality, performance, and time specified in the bids for performance of the contract. In determining the system under which the contract will be awarded to the lowest responsible bidder, the local school administrative unit may consider cost of construction oversight, time for completion, and other factors it deems

1 appropriate. The local school administrative unit shall not open any bid solicited under
2 subsection (d) of this section unless the unit receives at least three competitive bids from
3 reputable and qualified contractors regularly engaged in their respective lines of endeavor
4 and unless the unit receives a bid from at least one general contractor under the separate-
5 prime system. The bids received as separate-prime bids shall be submitted three hours
6 prior to the deadline for the submission of single-prime bids. The amount of a bid
7 submitted by a subcontractor to the general contractor under the single-prime system
8 shall not exceed the amount bid, if any, for the same work by that subcontractor to the
9 local school administrative unit under the separate-prime system. Each single-prime bid
10 that identifies the contractors selected to perform the three major subdivisions or
11 branches of work described in subsection (d) of this section and that lists the contractors'
12 respective bid prices for those branches of work shall constitute a single competitive bid,
13 and each full set of separate-prime bids for all of the branches of work described in
14 subsection (d) of this section shall constitute a single competitive bid. If after
15 advertisement as required by G.S. 143-129, the local school administrative unit has not
16 received the minimum number of competitive bids as required by this subsection, the unit
17 shall again advertise for bids. If the required minimum number of bids is not received as
18 a result of the second advertisement, the unit may let the contract to the lowest
19 responsible bidder that submitted a bid for the project, even though the unit received only
20 one bid. A contractor must provide an affidavit to the local school administrative unit
21 that it has made the good faith effort required pursuant to G.S. 143-128(f), and failure to
22 file the affidavit is grounds for rejection of the bid. All provisions of Article 8 of Chapter
23 143 of the General Statutes that are not inconsistent with this subsection shall apply to
24 local school administrative units."

25 Section 2. This act is effective when it becomes law and applies to bids
26 solicited on or after that date.