

2005 ASSEMBLY BILL 146

March 3, 2005 – Introduced by Representatives GOTTLIEB, LOEFFELHOLZ, GIELOW, GUNDERSON, HAHN, HINES, HONADEL, HUNDERTMARK, JENSEN, JESKEWITZ, LOTHIAN, MONTGOMERY, MUSSER, NASS, PETROWSKI, STASKUNAS, STRACHOTA, TOWNS, TOWNSEND, VRAKAS and DAVIS, cosponsored by Senators GROTHMAN, A. LASEE, ROESSLER, OLSEN and ERPENBACH. Referred to Committee on Urban and Local Affairs.

1 **AN ACT to amend** 60.47 (2) (a), 60.47 (2) (b), 60.77 (6) (a), 61.55 and 62.15 (1) of
 2 the statutes; **relating to:** changing the amount at which a public construction
 3 contract let by a city, village, town, technical college district board, town
 4 sanitary district commission, or federated public library system must be let to
 5 the lowest responsible bidder.

Analysis by the Legislative Reference Bureau

In general, under current law, before a contract for public construction with a value that exceeds \$5,000 but does not exceed \$15,000 may be let by a municipality (second, third, or fourth class city, or a village or town), the municipality's governing body must give a class 1 notice of the proposed construction. Also under current law, before a contract for public construction with a value that exceeds \$5,000 but does not exceed \$25,000 may be let by a county, the county board must give a class 1 notice of the proposed construction. Before a contract for public construction with a value that exceeds \$15,000, or that exceeds \$25,000 in the case of a county, may be let by a municipality or town sanitary district commission, certain other requirements, such as a lowest responsible bidder requirement, must be met.

The common council of a city, by a three-fourths vote of its membership, may also authorize the city itself to perform any class of public construction without asking for the submission of bids. A county board, by a three-fourths vote of its membership, may also authorize the county itself to perform any class of public work if the estimated cost of the work exceeds \$25,000.

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Generally under current law, the public construction contracting requirements that apply to a city also apply to a technical college district board and a federated public library system.

Under this bill, for cities, villages, towns, technical college district boards, town sanitary district commissions, and federated public library systems the minimum bid amount of \$15,000 that triggers requirements such as a lowest responsible bidder requirement is increased to \$25,000.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 60.47 (2) (a) of the statutes is amended to read:

2 60.47 **(2)** (a) No town may enter into a public contract with an estimated cost
3 of more than \$5,000 but not more than ~~\$15,000~~ \$25,000 unless the town board, or a
4 town official or employee designated by the town board, gives a class 1 notice under
5 ch. 985 before execution of that public contract.

6 **SECTION 2.** 60.47 (2) (b) of the statutes is amended to read:

7 60.47 **(2)** (b) No town may enter into a public contract with a value of more than
8 ~~\$15,000~~ \$25,000 unless the town board, or a town official or employee designated by
9 the town board, advertises for proposals to perform the terms of the public contract
10 by publishing a class 2 notice under ch. 985. The town board may provide for
11 additional means of advertising for bids.

12 **SECTION 3.** 60.77 (6) (a) of the statutes is amended to read:

13 60.77 **(6)** (a) Let contracts for any work or purchase that involves an
14 expenditure of ~~\$15,000~~ \$25,000 or more to the lowest responsible bidder in the
15 manner prescribed by the commission. Section 66.0901 applies to contracts let under
16 this paragraph.

17 **SECTION 4.** 61.55 of the statutes is amended to read:

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1 **61.55 Contracts involving over \$15,000 \$25,000; how let; exception.** All
2 contracts for public construction, in any such village, exceeding \$15,000 \$25,000,
3 shall be let by the village board to the lowest responsible bidder in accordance with
4 s. 66.0901 insofar as said section may be applicable. If the estimated cost of any
5 public construction exceeds \$5,000, but is not greater than \$15,000 \$25,000, the
6 village board shall give a class 1 notice, under ch. 985, of the proposed construction
7 before the contract for the construction is executed. This provision does not apply to
8 public construction if the materials for such a project are donated or if the labor for
9 such a project is provided by volunteers, and this provision and s. 281.41 are not
10 mandatory for the repair and reconstruction of public facilities when damage or
11 threatened damage thereto creates an emergency, as determined by resolution of the
12 village board, in which the public health or welfare of the village is endangered.
13 Whenever the village board by majority vote at a regular or special meeting declares
14 that an emergency no longer exists, this exemption no longer applies.

15 **SECTION 5.** 62.15 (1) of the statutes is amended to read:

16 **62.15 (1) CONTRACTS; HOW LET; EXCEPTION FOR DONATED MATERIALS AND LABOR.** All
17 public construction, the estimated cost of which exceeds \$15,000 \$25,000, shall be let
18 by contract to the lowest responsible bidder; all other public construction shall be let
19 as the council may direct. If the estimated cost of any public construction exceeds
20 \$5,000 but is not greater than \$15,000 \$25,000, the board of public works shall give
21 a class 1 notice, under ch. 985, of the proposed construction before the contract for
22 the construction is executed. This provision does not apply to public construction if
23 the materials for such a project are donated or if the labor for such a project is
24 provided by volunteers. The council may also by a vote of three-fourths of all the

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1 members–elect provide by ordinance that any class of public construction or any part
2 thereof may be done directly by the city without submitting the same for bids.

3 **SECTION 6. Initial applicability.**

4 (1) This act first applies to public construction contracts that are let on the
5 effective date of this subsection.

6 (END)