



2005 ASSEMBLY BILL 421

May 12, 2005 – Introduced by Representatives MUSSER, ALBERS, HINES, KREIBICH, LEMAHIEU, LOTHIAN, MCCORMICK, OTT, OWENS and VOS, cosponsored by Senators ROESSLER, DARLING and REYNOLDS. Referred to Committee on Urban and Local Affairs.

1 **AN ACT** *to amend* 59.52 (29) (a), 60.47 (2) (a), 60.47 (2) (b), 61.55, 62.15 (1) and
2 62.15 (3); and *to create* 66.0901 (10) of the statutes; **relating to:** authorizing
3 cities, villages, towns, and counties to solicit bids for certain contracts by using
4 the Internet.

Analysis by the Legislative Reference Bureau

Generally under current law, if a city, village, town, or county (political subdivision) wishes to let a public contract involving the construction or repair of any public work or building, or the furnishing of supplies or materials, there are a number of bidding requirements that apply to such contracts. If the value of the contract is above a certain amount, or between certain amounts, a political subdivision must publish a notice in the newspaper before it contracts for the work, or, in the case of counties, the county board may instead contract with a qualified bidder as specified by statute.

Under this bill, a political subdivision may solicit bids for certain public contracts by posting the bid request on the political subdivision's Web site, if the posting is linked to the political subdivision's home page. This Internet posting option applies to situations under which a political subdivision is currently required or authorized to publish a notice in a newspaper before the contract is executed. Also under the bill, if a political subdivision solicits bids for public contracts exclusively on its Web site, it must notify the public of this fact by publishing a notice in a newspaper at least twice each year.

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For further information see the *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.** 59.52 (29) (a) of the statutes is amended to read:

2 59.52 (29) (a) All public work, including any contract for the construction,
3 repair, remodeling or improvement of any public work, building, or furnishing of
4 supplies or material of any kind where the estimated cost of such work will exceed
5 \$25,000 shall be let by contract to the lowest responsible bidder. Any public work,
6 the estimated cost of which does not exceed \$25,000, shall be let as the board may
7 direct. If the estimated cost of any public work is between \$5,000 and \$25,000, the
8 board shall give a class 1 notice under ch. 985 or post a Web site notice as described
9 under s. 66.0901 (10) before it contracts for the work or shall contract with a person
10 qualified as a bidder under s. 66.0901 (2). A contract, the estimated cost of which
11 exceeds \$25,000, shall be let and entered into under s. 66.0901, except that the board
12 may by a three-fourths vote of all the members entitled to a seat provide that any
13 class of public work or any part thereof may be done directly by the county without
14 submitting the same for bids. This subsection does not apply to public construction
15 if the materials for such a project are donated or if the labor for such a project is
16 provided by volunteers. This subsection does not apply to highway contracts which
17 the county highway committee or the county highway commissioner is authorized by
18 law to let or make.

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

20 60.47 (2) (a) No town may enter into a public contract with an estimated cost
21 of more than \$5,000 but not more than \$15,000 unless the town board, or a town

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1 official or employee designated by the town board, gives a class 1 notice under ch. 985
2 or posts a Web site notice as described under s. 66.0901 (10) before execution of that
3 public contract.

4 **SECTION 3.** 60.47 (2) (b) of the statutes is amended to read:

5 60.47 (2) (b) No town may enter into a public contract with a value of more than
6 \$15,000 unless the town board, or a town official or employee designated by the town
7 board, advertises for proposals to perform the terms of the public contract by
8 publishing a class 2 notice under ch. 985 or by posting a Web site notice as described
9 under s. 66.0901 (10). The town board may provide for additional means of
10 advertising for bids.

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

12 **61.55 Contracts involving over \$15,000; how let; exception.** All contracts
13 for public construction, in any such village, exceeding \$15,000, shall be let by the
14 village board to the lowest responsible bidder in accordance with s. 66.0901 insofar
15 as said section may be applicable. If the estimated cost of any public construction
16 exceeds \$5,000, but is not greater than \$15,000, the village board shall give a class
17 1 notice, under ch. 985, or post a Web site notice as described under s. 66.0901 (10),
18 of the proposed construction before the contract for the construction is executed. This
19 provision does not apply to public construction if the materials for such a project are
20 donated or if the labor for such a project is provided by volunteers, and this provision
21 and s. 281.41 are not mandatory for the repair and reconstruction of public facilities
22 when damage or threatened damage thereto creates an emergency, as determined
23 by resolution of the village board, in which the public health or welfare of the village
24 is endangered. Whenever the village board by majority vote at a regular or special

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1 meeting declares that an emergency no longer exists, this exemption no longer
2 applies.

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

4 62.15 (1) CONTRACTS; HOW LET; EXCEPTION FOR DONATED MATERIALS AND LABOR. All
5 public construction, the estimated cost of which exceeds \$15,000, shall be let by
6 contract to the lowest responsible bidder; all other public construction shall be let as
7 the council may direct. If the estimated cost of any public construction exceeds
8 \$5,000 but is not greater than \$15,000, the board of public works shall give a class
9 1 notice, under ch. 985, or post a Web site notice as described under s. 66.0901 (10),
10 of the proposed construction before the contract for the construction is executed. This
11 provision does not apply to public construction if the materials for such a project are
12 donated or if the labor for such a project is provided by volunteers. The council may
13 also by a vote of three-fourths of all the members-elect provide by ordinance that any
14 class of public construction or any part thereof may be done directly by the city
15 without submitting the same for bids.

16 **SECTION 6.** 62.15 (3) of the statutes is amended to read:

17 62.15 (3) ADVERTISEMENT FOR BIDS. After the plans, specifications and form of
18 contract have been prepared, the board of public works shall advertise for proposals
19 for doing such work by publishing a class 2 notice, under ch. 985, or by posting a Web
20 site notice as described under s. 66.0901 (10). No bid shall be received unless
21 accompanied by a certified check or a bid bond equal to at least 5% but not more than
22 10% of the bid payable to the city as a guaranty that if the bid is accepted the bidder
23 will execute and file the proper contract and bond within the time limited by the city.
24 If the successful bidder so files the contract and bond, upon the execution of the
25 contract by the city the check shall be returned. In case the successful bidder fails

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1 to file such contract and bond the amount of the check or bid bond shall be forfeited
2 to the city as liquidated damages. The notice published shall inform bidders of this
3 requirement.

4 **SECTION 7.** 66.0901 (10) of the statutes is created to read:

5 66.0901 (10) WEB SITE POSTING OF BID REQUESTS. (a) In this subsection, “political
6 subdivision” means a city, village, town, or county.

7 (b) To solicit bids for a public contract, a political subdivision may post the bid
8 request on the political subdivision’s Web site, and the posting shall be linked to the
9 political subdivision’s home page. If a political subdivision solicits bids for public
10 contracts exclusively on its Web site, it must provide public notice of this fact by
11 publishing a class 1 notice under ch. 985 at least twice each year.

12

(END)