P.L. 2009, CHAPTER 292, approved January 17, 2010 Assembly, No. 3698 (Third Reprint)

AN ACT concerning local public contracts and amending P.L.1999, c.39.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. Section 1 of P.L.1999, c.39 (C.40A:11-23.1) is amended to read as follows:
- 1. All plans, specifications and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or other improvement to real property, the total price of which exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), shall include:
- a. a document for the bidder to acknowledge the bidder's receipt of any notice or revisions or addenda to the advertisement or bid documents; and
- b. a form listing those documentary and informational forms, certifications, and other documents that the contracting agent requires each bidder to submit with the bid. The form shall list each of the items to be submitted with the bid proposal and a place for the bidder to indicate, by initialing each entry, that the bidder has included those required items with the completed bid proposal. Each bidder shall complete this form and submit it with the bid proposal in addition to those documentary and informational forms, certifications, and other documents that are listed on the form; and
- c. a statement indicating whether uniformed law enforcement officers will be required for the project. The statement shall include a line item allowance, which shall be a good faith effort on the part of the contracting unit, to reasonably estimate the total cost of traffic control personnel, vehicles, equipment, administrative, or any other costs associated with additional traffic control requirements required by the contracting unit, or any other public entity affected by the project, above and beyond the bidder's traffic control personnel, vehicles, equipment, and administrative costs. The individuals responsible for the assignment of uniformed law enforcement officers for any municipalities affected by a project shall be required to determine where traffic safety control is needed for a project, and calculate the number and placement of all

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHO committee amendments adopted May 7, 2009.

²Senate SSG committee amendments adopted January 4, 2010.

³Senate floor amendments adopted January 7, 2010.

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necessary personnel, equipment, and the costs associated with these, including hourly rates, and submit this information to the contracting unit.

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The contracting unit shall not be responsible for additional traffic control costs beyond the number of working days specified in the construction contract in accordance with section 17 of P.L.1971, c.198 (C.40A:11-17), when such a delay is caused by the contractor and liquidated damages have been assessed.

The statement prescribed under this subsection shall not be required if the contracting unit will provide for the direct payment of uniformed law enforcement officers and any additional costs directly associated with the provision of those officers [.]; and

13 d. ¹[A contracting unit shall specify in the bidding documents 14 that the low bid will be determined on the basis of the value of the 15 contract to be awarded. The contracting unit may utilize a base bid 16 or propose alternate bids, or both, within the limit of available funds 17 for a project. When the contracting unit utilizes alternate bids, the "lowest responsible bidder" determination shall be made on the 18 19 basis of whether the contract is being valued according to the base 20 bid only, the base bid plus any selected alternate bids, or alternate 21 bids only. If a contracting unit provides for alternate bids, it shall 22 specify in the bid documents the specific basis for selecting an 23 alternate bid and, when there are multiple alternate bids, the criteria 24 by which multiple alternate bids will be ranked. When the selection 25 of alternate bids is made, in whole or in part, on the basis of 26 available funds, the contracting unit shall, upon the written request 27 of any bidder, promptly provide competent evidence of the actual amount of available funds 2 at the option of the contracting unit, 28 29 specified alternate proposals in addition to a base specification. 30 When the contracting unit specifies alternate proposals, the 31 determination of which bidder's response to a request for bids offers 32 the lowest price shall be made on the basis of the price of the base 33 specification plus the price of any selected specified alternate 34 proposals within the limit of available funds for a project. If a 35 contracting unit provides for more than one specified alternate 36 proposal, the contracting unit shall specify in the bid specification 37 the ranked order by which each specified alternate proposal shall be 38 selected and included in the award of the contract by the governing 39 body¹] at the option of the contracting unit, specified alternate 40 proposals in addition to a base specification. When the contracting 41 unit specifies alternate proposals, the determination of which 42 bidder's response to a request for bids offers the lowest price shall 43 be made on the basis of the price of: (i) the base specification plus 44 the price of any selected specified alternate proposals; or (ii) a 45 choice of specified alternative proposals within the limit of funds that may be made available for a project. If a contracting unit 46 47 provides for more than one specified alternate proposal, the 48 contracting unit shall specify in the bid specification the criteria or

1 ranked order by which specified alternate proposals shall be 2 selected and included in the award of the contract by the governing 3 body ³, provided that this requirement shall only apply to a project with a total estimated cost, including specified alternate proposals, 4 of greater than \$500,000³. The aggregate dollar value of accepted 5 specified alternative proposals shall not exceed 50 percent of the 6 7 base bid. If a contracting unit is found in a court of law to have 8 chosen specific alternative proposals in a manner intended to award 9 a contract to a specific vendor, the bids shall be voided, the 10 contracting unit shall rebid the project, and a plaintiff who prevails in any proceeding shall be entitled to a reasonable attorney's fee ³[. 11 12 These requirements shall only apply to a project with a total

estimated cost, including specified alternate proposals, of greater

For the purposes of this subsection:

than \$500,000²]³.

- 16 ¹["Alternate bid" means the amount stated in the bidding document to be added to or deducted from the amount of the base 17 18 bid if the corresponding change in project scope or alternate 19 materials or methods of construction is accepted, provided, 20 however, that no alternate bid or bids shall exceed 50 percent of the 21 base bid \[\frac{1}{2} \] ["Specified alternate proposal" means a requirement of 22 the bid specification for additional work above the base 23 specification which may include, but not be limited to, a change in 24 project scope and the use of alternate materials or methods of 25 construction. The aggregate dollar value of accepted specified 26 alternate proposals shall not exceed 50 percent of the base bid¹] "Specified alternate proposal" means a requirement of the bid 27 28 specification for bidders to submit prices for reduced, modified or 29 supplemental work in addition to the base proposal which may 30 include, but not be limited to, a change in project scope or the use 31 of alternative materials or methods of construction²;
 - ¹["Base bid" means the amount of money stated in the bidding document as the sum for which the bidder offers to perform the described work.]
- ²["Base specification" means the basic description of goods and services that are required to be provided by all bidders without exception. Base specification" means the plans and specifications for the erection, alteration or repair of the building, structure, facility or other improvement to real property that are required to be met by all bidders without exception.

41 42 (cf: P.L.2006, c.9, s.1)

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2. This act shall take effect '[immediately] on the first day of the fourth month next following the date of enactment'.

A3698 [3R] 4

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| 3 | Provides | for | specified | alternative | proposals | and | base |
| 4 | specifications for certain public contracts; requires contracting unit | | | | | | |
| 5 | to specify basis for determining lowest responsible bid and criteria | | | | | | |
| 6 | for selection of alternate bids. | | | | | | |