# SENATE, No. 2947 **STATE OF NEW JERSEY** 218th LEGISLATURE

**INTRODUCED SEPTEMBER 17, 2018** 

Sponsored by: Senator TROY SINGLETON District 7 (Burlington)

Co-Sponsored by: Senator Stack

#### SYNOPSIS

Requires release of bid list prior to bid date under "Local Public Contracts Law."

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 1/29/2019)

AN ACT concerning certain local public contracts and amending
 P.L.1971, c.198 and P.L.1999, c.39.

3 4

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

5 6

7 1. Section 23 of P.L.1971, c.198 (C.40A:11-23) is amended to8 read as follows:

9 23. a. All advertisements for bids shall be published in an 10 official newspaper of the contracting unit sufficiently in advance of 11 the date fixed for receiving the bids to promote competitive 12 bidding, but in no event less than 10 days prior to such date; except 13 that all advertisements for bids on contracts for the collection and 14 disposal of municipal solid waste shall be published in an official 15 newspaper of the contracting unit circulating in the county or 16 municipality, and in at least one newspaper of general circulation 17 published in the State, sufficiently in advance of the date fixed for 18 receiving the bids to promote competitive bidding, but not less than 19 60 days prior to that date. For all contracts, the date fixed for 20 receiving the bids shall not fall on a Monday, or any day directly 21 following a State or federal holiday.

22 b. The advertisement shall designate the manner of submitting 23 and the method of receiving the bids and the time and place at 24 which the bids will be received. If the published specifications 25 provide for receipt of bids by mail, those bids which are mailed to 26 the contracting unit shall be sealed and shall only be opened for 27 examination at such time and place as all bids received are unsealed 28 and announced. At such time and place the contracting agent of the 29 contracting unit shall publicly receive the bids, and thereupon 30 immediately proceed to unseal them and publicly announce the 31 contents, which announcement shall be made in the presence of any parties bidding or their agents, who are then and there present, and 32 33 shall also make proper record of the prices and terms, upon the 34 minutes of the governing body, if the award is to be made by the 35 governing body of the contracting unit, or in a book kept for that 36 purpose, if the award is to be made by other than the governing 37 body, and in such latter case it shall be reported to the governing 38 body of the contracting unit for its action thereon, when such action 39 thereon is required. No bids shall be received after the time 40 designated in the advertisement.

41 c. Notice of revisions or addenda to advertisements or bid42 documents shall be provided as follows:

43 1) For all contracts except those for construction work and
44 municipal solid waste collection and disposal service, notice shall
45 be published no later than seven days, Saturdays, Sundays, and

**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 <u>thus</u> is new matter.

### **S2947** SINGLETON

3

1 holidays excepted, prior to the date for acceptance of bids, in an 2 official newspaper of the contracting unit and be provided to any 3 person who has submitted a bid or who has received a bid package, 4 in one of the following ways: i) in writing by certified mail or ii) 5 by certified facsimile transmission, meaning that the sender's 6 facsimile machine produces a receipt showing date and time of 7 transmission and that the transmission was successful or iii) by a 8 delivery service that provides certification of delivery to the sender. 9 2) For all contracts for construction work, notice shall be 10 provided no later than seven days, Saturdays, Sundays, or holidays 11 excepted, prior to the date for acceptance of bids, to any person who 12 has submitted a bid or who has received a bid package in any of the 13 following ways: i) in writing by certified mail or ii) by certified 14 facsimile transmission, meaning that the sender's facsimile machine 15 produces a receipt showing date and time of transmission and that 16 the transmission was successful or iii) by a delivery service that 17 provides certification of delivery to the sender. Notwithstanding section 1 of P.L.1995, c.23 (C.47:1A-1.1) concerning the 18 19 confidentiality of government records containing information 20 which, if disclosed, would give an advantage to competitors or 21 bidders, when three or more parties have received bid documents, 22 upon request by any person the contracting unit shall make 23 available the names of all parties who have received the bid 24 documents. This information shall be made available in a timely 25 manner and in accordance with P.L.1963, c.73 (C.47:1A-1 et seq.). 26 Alternatively, if the contracting unit maintains its own website, the 27 contracting unit may post the information on that site. 28 3) For municipal solid waste collection and disposal contracts, 29 notice shall be published in an official newspaper of the contracting

notice shall be published in an official newspaper of the contracting
unit and in at least one newspaper of general circulation published
in the State no later than seven days, Saturdays, Sundays, and
holidays excepted, prior to the date for acceptance of bids.

33 d. Failure of the contracting unit to advertise for the receipt of 34 bids [or], to provide proper notification of revisions or addenda to 35 advertisements or bid documents related to bids, or to provide the 36 names of all parties receiving the bid documents to any requesting 37 person or by posting that information on its website, as prescribed 38 by this section shall prevent the contracting unit from accepting the 39 bids and require the readvertisement for bids pursuant to subsection 40 a. of this section. Failure to obtain a receipt when good faith notice 41 is sent or delivered to the address or telephone facsimile number on 42 file with the contracting unit shall not be considered failure by the 43 contracting unit to provide notice.

44 (cf: P.L.2007, c.4, s.1)

45

46 2. Section 1 of P.L.1999, c.39 (C.40A:11-23.1) is amended to 47 read as follows:

48 1. All plans, specifications and bid proposal documents for the49 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:

5 a. a document for the bidder to acknowledge the bidder's 6 receipt of any notice or revisions or addenda to the advertisement or 7 bid documents; and

8 b. a form listing those documentary and informational forms, 9 certifications, and other documents that the contracting agent 10 requires each bidder to submit with the bid. The form shall list each 11 of the items to be submitted with the bid proposal and a place for 12 the bidder to indicate, by initialing each entry, that the bidder has 13 included those required items with the completed bid proposal. 14 Each bidder shall complete this form and submit it with the bid 15 proposal in addition to those documentary and informational forms, 16 certifications, and other documents that are listed on the form; and

17 c. a statement indicating whether uniformed law enforcement 18 officers will be required for the project. The statement shall include 19 a line item allowance, which shall be a good faith effort on the part 20 of the contracting unit, to reasonably estimate the total cost of 21 traffic control personnel, vehicles, equipment, administrative, or 22 any other costs associated with additional traffic control 23 requirements required by the contracting unit, or any other public 24 entity affected by the project, above and beyond the bidder's traffic 25 control personnel, vehicles, equipment, and administrative costs. 26 The individuals responsible for the assignment of uniformed law 27 enforcement officers for any municipalities affected by a project 28 shall be required to determine where traffic safety control is needed 29 for a project, and calculate the number and placement of all 30 necessary personnel, equipment, and the costs associated with these, 31 including hourly rates, and submit this information to the contracting unit. 32

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

42 d. at the option of the contracting unit, specified alternate proposals in addition to a base specification. When the contracting 43 44 unit specifies alternate proposals, the determination of which 45 bidder's response to a request for bids offers the lowest price shall 46 be made on the basis of the price of: (i) the base specification plus the price of any selected specified alternate proposals; or (ii) a 47 48 choice of specified alternative proposals within the limit of funds 49 that may be made available for a project. If a contracting unit

5

1 provides for more than one specified alternate proposal, the 2 contracting unit shall specify in the bid specification the criteria or 3 ranked order by which specified alternate proposals shall be 4 selected and included in the award of the contract by the governing 5 body, provided that this requirement shall only apply to a project 6 with a total estimated cost, including specified alternate proposals, 7 of greater than \$500,000. The aggregate dollar value of accepted 8 specified alternative proposals shall not exceed 50 percent of the 9 base bid. If a contracting unit is found in a court of law to have 10 chosen specific alternative proposals in a manner intended to award 11 a contract to a specific vendor, the bids shall be voided, the 12 contracting unit shall rebid the project, and a plaintiff who prevails 13 in any proceeding shall be entitled to a reasonable attorney's fee. 14 For the purposes of this subsection: 15 "Specified alternate proposal" means a requirement of the bid 16 specification for bidders to submit prices for reduced, modified or 17 supplemental work in addition to the base proposal which may 18 include, but not be limited to, a change in project scope or the use 19 of alternative materials or methods of construction; 20 "Base specification" means the plans and specifications for the 21 erection, alteration or repair of the building, structure, facility or 22 other improvement to real property that are required to be met by all 23 bidders without exception; and 24 e. in the case of a project that includes the removal of soil from 25 the site, disclosure of any documentation relative to the known soil 26 conditions at the site including, but not limited to, any test results 27 specifying the level of contamination, if any, of the soil that has 28 been found at the site of the project, or if a project is located on a 29 site with historical or suspected contamination, a line item 30 allowance or minimum unit price line item for soil testing and 31 contaminated soil disposal, which shall be a good faith effort on the 32 part of the contracting unit to reasonably estimate the total cost of 33 testing the soil and disposing of it; and 34 f. a bidder's affidavit of non-collusion to ensure that the bidder 35 has not participated in any collusion with any other bidder or owner representative or otherwise taken any action in restraint of free and 36 37 competitive bidding. 38 (cf: P.L.2012, c.73, s.1) 39 40 This act shall take effect on the first day of the fourth month 3. 41 next following enactment. 42 43 **STATEMENT** 44

This bill amends the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.) to provide that once three or more parties have received bid documents, the local contracting unit would be required to release the names of all parties who have received bid documents, upon request.

## **S2947** SINGLETON

6

1 The local contracting unit would be required to make the 2 information available in a timely manner and in accordance with 3 P.L.1963, c.73 (C.47:1A-1 et seq.). Alternatively, if the contracting 4 unit maintains its own website, the contracting unit may post the 5 information on that site. Failure to release or post the information 6 would prevent the contracting unit from accepting bids and require 7 the readvertisement of bids.

8 The purpose of this bill is to allow subcontractors, including 9 minority-owned and women-owned subcontracting businesses, to 10 have timely access to bidders on public projects so that they can 11 submit subcontracting bids to those bidders for the purpose of 12 enabling those bidders to put together their lowest possible bids to 13 the benefit of the local contracting unit. Under the current system, 14 if the names of the parties who have received bid documents is not 15 released or made public, then only subcontractors specifically 16 contacted by a bidder are able to submit bids on subcontracting 17 work. By expanding the pool of subcontractors vying for a job, the 18 cost should be reduced and the bidder able to submit a lower cost 19 proposal. The bill would also help ensure that minority-owned and 20 women-owned subcontracting businesses get fair opportunity to 21 compete for work on public projects.

22 Additionally, the bill would require bid proposal documents for 23 contracts to erect, alter, repair or improve real property, the total 24 price of which exceeds the Local Public Contracts Law bid 25 threshold, to include a bidder's affidavit of non-collusion. This 26 requirement is being imposed to ensure that bidders have not 27 participated in collusion with other bidders or owner 28 representatives, or otherwise taken any action in restraint of free 29 and competitive bidding.