LEGISLATIVE BILL 171

Approved by the Governor March 4, 1975

Introduced by Stoney, 4

AN ACT to amend section 17-568.01, Reissue Revised Statutes of Nebraska, 1943, and section 16-321, Revised Statutes Supplement, 1974, relating to cities and villages; to provide bidding procedures for certain contracts; to provide authority for contract negotiation; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 16-321, Revised Statutes Supplement, 1974, be amended to read as follows:

(1) The city engineer shall, 16-321. when requested by the mayor or city council, make estimates of the cost of labor and material which may be done or furnished by contract with the city, and make all surveys, estimates, and calculations necessary to be made for the establishment of grades, building of culverts, sewers, electric light system, waterworks, power plant, public heating system, bridges, curbing and gutters, and the improvement of streets and erection and repair of buildings, and shall perform such other duties as the council may require; <u>Provided</u>, when the city has appointed a board of public works, and the mayor and city council have by ordinance so authorized, such board shall have the right to utilize its own engineering staff, and shall have the right to hire consulting engineers for the design and installation of extensions and improvements of the works under the jurisdiction of the board of public Whenever the mayor and city council authorized the same, the board of public works shall have the right to purchase material and employ labor for the enlargement and improvement of the water and electric departments. ;-Provided;

(2) No contracts for services, material, or labor for enlargement or improvement, except as provided in section 18-412.01, no-such-enlargement-or-improvement costing over five thousand dollars shall be made unless it is first approved by the city council. Except as provided in section 18-412.01, before the city council shall make any contract in excess of five thousand dollars for general improvements, such as water extensions, sewers, public heating system, bridges, or work on streets, any motor or other mechanical equipment, including parking meters and street machinery or any

other work or improvement where the cost of such improvement shall be assessed to the property, an estimate of the cost thereof shall be made by the city engineer and submitted to the council; and no contract shall be entered into for any such work or improvement or for the purchase of such equipment, for any price exceeding five thousand dollars without advertising for bids. In advertising for bids for any such work, or for the purchase of such equipment, the council may cause the amount of such estimate to be published therewith.

(3) Such advertisement, as provided in subsection (2) of this section, shall be published at least ten days in some newspaper of general circulation published in the city; Provided, that in case of a public emergency resulting from infectious or contagious diseases, destructive windstorms, floods, snow, war, or an exigency or pressing necessity or unforeseen need calling for immediate action or remedy to prevent a serious loss of, or serious injury or damage to life, health, or property, estimates of costs and advertising for bids may be waived in the emergency ordinance provided under section 16-405 when adopted by a three-fourths vote of the council and entered of record.

(4) If, after advertising for bids as provided in subsections (2) and (3) of this section, the city council receives fewer than two bids on a contract for services, material, or labor, or if the bids received by the city council contain a price which exceeds the estimated cost of the project, the mayor and the city council shall have the authority to negotiate a contract for services, material, or labor in an attempt to complete the proposed project at a cost commensurate with the estimate given.

in the opinion of the manufacturer and with the concurrence of the city council or board of public works, no cost can be estimated until the materials have been manufactured or assembled to the specific qualifications of the purchasing municipality, the city council or board of public works may authorize the manufacture and assemblage of such materials and may thereafter approve the estimated cost expenditure when it is provided by the manufacturer.

Sec. 2. That section 17-568.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

17-568.01. (1) Except as provided in section 18-412.01, before the city council or village board of trustees shall make any contract for any labor, except

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personal services, or for materials, work, building, or improvement, which exceeds five thousand dollars in cost, an estimate of the cost thereof shall be made by the city or village engineer and submitted to the council, or board of trustees, and no contract shall be entered into for any work or improvement for a price exceeding five thousand dollars without advertising for bids. In advertising for bids for any such work the council or board of trustees may cause the amount of such estimate to be published therein.

- (2) Such advertisement, provided for in subsection (1) of this section, shall be published once each week for three consecutive weeks in a legal newspaper published in or of general circulation in the city or village and, if there be no legal newspaper published in or of general circulation in such city or village, then in some newspaper of general circulation published in the county wherein such city or village is located, and if there be no legal newspaper of general circulation published in the county wherein such city or village is located then in a newspaper, designated by the county board, having a general circulation within the county where bids are required, and if no newspaper is published in the city, village, or in the county, or if no newspaper has general circulation in the county, then by posting a written or printed copy thereof in each of three public places in the city or village; Provided, that in case of a public emergency resulting from infectious or contagious diseases, destructive windstorms, floods, snow, an exigency or pressing necessity or unforeseen need calling for immediate action or remedy to prevent a serious loss of, or serious injury or damage to life, health, or property, or war, estimates of costs and advertising for bids may be waived in the emergency ordinance authorized by section 17-613 when adopted by a three-fourths vote of the council or board of trustees, and entered of record.
- (3) If, after advertising for bids as provided in subsections (1) and (2) of this section, the council or board of trustees receives fewer than two bids on a contract for any work or improvement, or if the bids received by the council or board of trustees contain a price which exceeds the estimated cost of the project, the mayor and the council or board of trustees shall have the authority to negotiate a contract in an attempt to complete the proposed project at a cost commensurate with the estimate given.
- (4) If the materials are of such a nature that, in the opinion of the manufacturer and with the concurrence of the city council, board of trustees or

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board of public works, no cost can be estimated until the materials have been manufactured or assembled to the specific qualifications of the purchasing municipality, the city council, board of trustees or board of public works may authorize the manufacture and assemblage of such materials and may thereafter approve the estimated cost expenditure when it is provided by the manufacturer.

Sec. 3. That original section 17-568.01, Reissue Revised Statutes of Nebraska, 1943, and section 16-321, Revised Statutes Supplement, 1974, are repealed.