SENATE BILL NO. 200

1

24

BY SENATOR CORTEZ AND REPRESENTATIVES ADAMS, TERRY BROWN, CARPENTER, MARCELLE, NORTON, PIERRE, POPE AND WHITE

AN ACT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

2	To enact R.S. 38:2211.2, relative to public contracts; to provide for a pilot program to
3	authorize local governmental subdivisions and political subdivisions to use the A+B
4	bid method to determine the lowest responsive bidder in contracts for public works
5	under certain conditions; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 38:2211.2 is hereby enacted to read as follows:
8	§2211.2. A+B bidding; pilot program; public works contracts let by local
9	governmental subdivision or political subdivision
10	A.(1) A pilot program is hereby established to authorize local
11	governmental subdivisions or political subdivisions to use the A+B bidding
12	method to determine the lowest responsive bidder on a contract for public
13	works.
14	(2) At least sixty days prior to inclusion of A+B bidding in the bidding
15	documents for a contract to be let for public works, a local governmental
16	subdivision or a political subdivision shall deliver written notification of the
17	proposed project by name and description of the project, together with the
18	reason it deems such method to be in the public interest and beneficial to the
19	owner, to the House and Senate transportation, highways, and public works
20	committees for review and approval. The pilot program is limited to fifteen
21	projects. If the project is approved by the committees, the owner shall submit
22	in writing to the chairmen of the House and Senate committees on
23	transportation, highways, and public works the name and address of the lowest

responsive bidder awarded the contract, together with the bid values of the A+B

SB NO. 200 ENROLLED

components. Upon completion and acceptance of the project, the owner shall submit in writing to the chairmen of the House and Senate committees on transportation, highways, and public works a project report that includes the final project cost and an evaluation of whether or not contract times were reduced, costs were acceptable, and quality was maintained by use of the A+B bid method.

B. When used in this Section, the following words and phrases have the meanings ascribed to them in this Section, unless the context indicates a different meaning:

- (1) "A+B bidding" means cost plus time bidding that factors time plus cost to determine the low bid. Under the A+B method, each submitted bid has two components where "A" is the traditional bid for the contract items and is the dollar amount for all work to be performed under the contract, and "B" is a "bid" of the total number of calendar days required to complete the project, as estimated by the bidder. Bid days are multiplied by a user cost, furnished by the project owner, and added to the "A" component to obtain the total bid. The bid for award to the lowest responsive bidder is based on a combination of the bid for the contract items and the associated cost of time.
- (2) "Owner" means a "local governmental subdivision" or a "political subdivision" as defined in La. Const. Art. VI, Sec. 44(1) and (2).
- C. Notwithstanding any other provision of law to the contrary, a local governmental subdivision or a political subdivision may specify in its bidding documents for a public work the A+B bidding method to determine the lowest responsive bidder as set forth in this Section. Bidding documents may contain alternates, which allow for different materials currently approved by the local governmental subdivision or political subdivision, or methods of construction. The bidding documents shall specify whether the low bid will be determined based on the lowest bid cost, or the lowest combination of bid cost plus construction time. If construction time is utilized as a factor to determine the lowest responsive bidder, then its value and use in the determination of the

1 lowest responsive bidder shall be specified by the owner in the bidding 2 documents. D. The provisions of this Section shall supersede any conflicting 3 4 provisions of any law, including but not limited to the requirements of Chapter  $\underline{10 \ of \ this \ Title, but \ the \ provisions \ of such \ Chapter \ shall \ otherwise \ be \ applicable}$ 5 6 to such contracts. PRESIDENT OF THE SENATE SPEAKER OF THE HOUSE OF REPRESENTATIVES GOVERNOR OF THE STATE OF LOUISIANA APPROVED: \_\_\_\_\_

**ENROLLED** 

**SB NO. 200**