

Senate Bill 813

A bill to amend 1925 PA 17, entitled
"An act to provide for the construction, improvement and maintenance of trunk line highways,"
by amending section 2 (MCL 250.62), as amended by 1987 PA 188.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) The state transportation department may con-
2 tract with boards of county road commissioners, township boards,
3 and municipalities of this state, or with any other person, per-
4 sons, firm, or corporation for the construction, improvement, and
5 maintenance of trunk line highways, or it may do the work on
6 state account. The state transportation department, subject to
7 the approval of the state administrative board, shall do all acts
8 or things necessary to carry out the purpose of this act. The
9 state transportation department, without approval of the state
10 administrative board, may contract for extra work or labor, or

1 both, not exceeding ~~-\$48,000.00-~~ \$80,000.00 per contract for
2 contracts having a value of \$800,000.00 or less and not exceeding
3 ~~6%~~ 10% per contract for contracts having a value over
4 \$800,000.00 under a contract with a private agency authorized by
5 this section, and for an amount not exceeding \$800,000.00 under a
6 contract with boards of county road commissioners, township
7 boards, and municipalities of this state, except that each job
8 for extra or additional work or labor, or both, in excess of
9 ~~-\$100,000.00-~~ \$250,000.00 shall require approval of the state
10 administrative board.

11 (2) The state transportation department, without approval of
12 the state administrative board, may contract, for an amount not
13 exceeding ~~-\$20,000.00-~~ \$100,000.00 for each contract, for toilet
14 vault cleaning, use of licensed sanitary landfills, pickup and
15 disposal of refuse, ROADSIDE MOWING, ROADSIDE PARK AND REST AREA
16 MAINTENANCE, pavement surfacing and patching, rental of equipment
17 for emergency repairs and maintenance operations, HIGHWAY
18 DRAINAGE, curb replacement, maintenance of office equipment,
19 installation of utility services, ~~and~~ installation of traffic
20 control devices, and OTHER HIGHWAY OPERATIONAL ACTIVITIES. THE
21 STATE TRANSPORTATION DEPARTMENT, without approval of the state
22 administrative board, may authorize boards of county road commis-
23 sioners, township boards, and municipalities, under contracts for
24 the maintenance of trunk line highways, to subcontract in amounts
25 not to exceed ~~-\$20,000.00-~~ \$100,000.00 for each subcontract. THE
26 \$100,000.00 LIMIT FOR SUBCONTRACTS IN THIS SUBSECTION IS FOR
27 TOTAL EXPENDITURES, INCLUDING COST OVERRUNS AND EXTRAS. THE

1 DOLLAR AMOUNT LIMITS PROVIDED BY THIS SUBSECTION SHALL BE
2 ADJUSTED ON FEBRUARY 1 EACH YEAR BASED ON THE PERCENTAGE INCREASE
3 OR DECREASE OF THE DETROIT CONSUMER PRICE INDEX FOR THE 12-MONTH
4 STATE FISCAL YEAR ENDING THE PRECEDING SEPTEMBER 30. THE ADJUST-
5 MENT SHALL BE DETERMINED BY MULTIPLYING THE PERCENTAGE INCREASE
6 OR DECREASE IN THE DETROIT CONSUMER PRICE INDEX TIMES THE DOLLAR
7 LIMITATION PROVIDED BY THIS SUBSECTION AND ADDING THE PRODUCT TO
8 THE DOLLAR LIMITATION FOR THE PREVIOUS YEAR AS ADJUSTED BY THIS
9 SUBSECTION.

10 (3) The state administrative board may require that the
11 state transportation department file periodic reports with the
12 board on those contracts or authorizations for extra work or
13 labor, or both, that do not require approval by the state admin-
14 istrative board. The state administrative board shall establish
15 by resolution standards and procedures for these periodic
16 reports.

17 (4) ~~-(2)-~~ The state transportation department, without
18 approval of the state administrative board, may contract with a
19 person, business, or governmental unit described in subsection
20 (1) OR (2) in a reasonable amount under conditions that the
21 department determines will require emergency action if a written
22 report of the nature of the contract and the emergency are trans-
23 mitted immediately to the state administrative board after the
24 contract is entered into.