

State of South Dakota

SEVENTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 1999

476C0303

HOUSE BILL NO. 1083

Introduced by: Representatives Konold, Apa, Broderick, Brown (Jarvis), Chicoine, Crisp, Fischer-Clemens, Fryslie, Hanson, Kazmerzak, Michels, Munson (Donald), Sebert, Solum, Sutton (Duane), and Wetz and Senators Madden, Albers, and Olson

1 FOR AN ACT ENTITLED, An Act to revise the procedure for accepting certain bids.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 Section 1. That § 5-18-2 be amended to read as follows:

4 5-18-2. All contracts of any public corporation, whether for the construction of public
5 improvements or contracts for the purchase, lease or rental of materials, supplies or equipment,
6 when such contracts involve an expenditure equal to or in excess of the amount provided for in
7 § 5-18-3, must be let to the lowest responsible bidder. The governing body may accept a bid
8 from a local entity whose bid is within five percent of the lowest responsible bidder. A local
9 entity is a business located in the area controlled by the governing body. If the contract is for
10 more than one million dollars, the governing body may accept a bid from a local entity whose
11 bid is within two percent of the lowest responsible bidder. The governing body ~~shall have~~ has the
12 right to reject any and all bids and to readvertise for proposals if none of the bids are satisfactory,
13 or if ~~they believe~~ the governing body believes any agreement has been entered into by the bidders
14 to prevent competition.

15 Section 2. That § 5-18-9 be amended to read as follows:

1 5-18-9. Unless all bids presented are rejected, or unless a bid from a local entity is accepted
2 according to § 5-18-2, the lowest responsible bid shall be accepted. If the low bidder is not
3 responsible or the bid is not made in accordance with the requirements of this chapter or the low
4 bid is withdrawn, the bid of the next lowest responsible bidder may be accepted. If the lowest
5 responsible bid exceeds the final estimated project cost by ten percent or less, the Bureau of
6 Administration, acting on behalf of the state, or any other public corporation, may negotiate with
7 that low bidder for the construction of a public improvement or for the purchase of the materials,
8 supplies, or equipment at the most advantageous price.