HOUSE BILL No. 1175

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DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-1-12-3.

Synopsis: Public works. Increases from $100,000 to $500,000 the cost of a public works project a local unit may perform by the unit's own workforce without awarding a contract.

Effective: July 1, 2002.

Bottorff

January 9, 2002, read first time and referred to Committee on Local Government.

HOUSE BILL No. 1175

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-1-12-3 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The board may
3 purchase or lease materials in the manner provided in IC 5-22 and
4 perform any public work, by means of its own workforce, without
5 awarding a contract whenever the cost of that public work project is
6 estimated to be less than one **five** hundred thousand dollars ($100,000).
7 **($500,000).** Before a board may perform any work under this section
8 by means of its own workforce, the political subdivision or agency
9 must have a group of employees on its staff who are capable of
10 performing the construction, maintenance, and repair applicable to that
11 work. For purposes of this subsection, the cost of a public work project
12 includes the actual cost of materials, labor, equipment, rental, a
13 reasonable rate for use of trucks and heavy equipment owned, and all
14 other expenses incidental to the performance of the project.
15   (b) When the project involves the rental of equipment with an
16 operator furnished by the owner, or the installation or application of
17 materials by the supplier of the materials, the project is considered to

1 be a public work project and subject to this chapter. However, an
2 annual contract may be awarded for equipment rental and materials to
3 be installed or applied during a calendar or fiscal year if the proposed
4 project or projects are described in the bid specifications.
5   (c) A board of aviation commissioners or an airport authority board
6 may purchase or lease materials in the manner provided in IC 5-22 and
7 perform any public work by means of its own workforce and owned or
8 leased equipment in the construction, maintenance, and repair of any
9 airport roadway, runway, taxiway, or aircraft parking apron whenever
10 the cost of that public work project is estimated to be less than fifty
11 thousand dollars ($50,000).
12   (d) Municipal and county hospitals must comply with this chapter
13 for all contracts for public work that are financed in whole or in part
14 with cumulative building fund revenue, as provided in section 1(c) of
15 this chapter. However, if the cost of the public work is estimated to be
16 less than fifty thousand dollars ($50,000), as reflected in the board
17 minutes, the hospital board may have the public work done without
18 receiving bids by purchasing the materials and performing the work by
19 means of its own workforce and owned or leased equipment.
20   (e) If a public works project involves a structure, an improvement,
21 or a facility under the control of a department (as defined in
22 IC 4-3-19-2(2)), the department may not artificially divide the project
23 to bring any part of the project under this section.