

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 300

FINAL READING

Introduced by Heidemann, 1; Carlson, 38; Cook, 13; Fischer, 43;
Haar, 21; Langemeier, 23; McCoy, 39; Schilz, 47;
Giese, 17; Dubas, 34; Stuthman, 22.

Read first time January 15, 2009

Committee: Natural Resources

A BILL

1 FOR AN ACT relating to public power and irrigation districts;
2 to amend section 70-637, Revised Statutes Cumulative
3 Supplement, 2008; to change provisions relating to
4 bidding requirements; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 70-637, Revised Statutes Cumulative
2 Supplement, 2008, is amended to read:

3 70-637 (1) A district shall cause estimates of the costs
4 to be made by some competent engineer or engineers before the
5 district enters into any contract for:

6 (a) The construction, reconstruction, remodeling,
7 building, alteration, maintenance, repair, extension, or
8 improvement, for the use of the district, of any:

9 (i) Power plant or system;

10 (ii) Hydrogen production, storage, or distribution
11 system;

12 (iii) Ethanol production or distribution system;

13 (iv) Irrigation works; or

14 (v) Part or section of a system or works described in
15 subdivisions (i) through (iv) of this subdivision; or

16 (b) The purchase of any materials, machinery, or
17 apparatus to be used in the projects described in subdivision
18 (1)(a) of this section.

19 (2) If the estimated cost exceeds the sum of ~~one hundred~~
20 ~~thousand dollars,~~ two hundred fifty thousand dollars, for those
21 districts with a gross revenue of less than five hundred million
22 dollars, or five hundred thousand dollars, for those districts with
23 a gross revenue of five hundred million dollars or more, no such
24 contract shall be entered into without advertising for sealed bids.

25 (3) Notwithstanding the provisions of subsection (2) of

1 this section and sections 70-638 and 70-639, the board of directors
2 of the district may negotiate directly with sheltered workshops
3 pursuant to section 48-1503.

4 (4) (a) The provisions of subsection (2) of this section
5 and sections 70-638 and 70-639 relating to sealed bids shall not
6 apply to contracts entered into by a district in the exercise
7 of its rights and powers relating to (i) radioactive material
8 or the energy therefrom, (ii) any technologically complex or
9 unique equipment, (iii) equipment or supplemental labor procurement
10 from an electric utility or from or through an electric utility
11 alliance, or (iv) any maintenance or repair, if the requirements of
12 subdivisions (b) and (c) of this subsection are met.

13 (b) A contract described in subdivision (a) of this
14 subsection need not comply with subsection (2) of this section or
15 section 70-638 or 70-639 if:

16 (i) The engineer or engineers certify that, by reason of
17 the nature of the subject matter of the contract, compliance with
18 subsection (2) of this section would be impractical or not in the
19 public interest;

20 (ii) The engineer's certification is approved by a
21 two-thirds vote of the board; and

22 (iii) The district advertises notice of its intention
23 to enter into such contract, the general nature of the proposed
24 work, and the name of the person to be contacted for additional
25 information by anyone interested in contracting for such work.

1 (c) Any contract for which the board has approved
2 an engineer's certificate described in subdivision (b) of this
3 subsection shall be advertised in three issues not less than
4 seven days between issues in one or more newspapers of general
5 circulation in the district and in such additional newspapers or
6 trade or technical periodicals as may be selected by the board in
7 order to give proper notice of its intention to enter into such
8 contract, and any such contract shall not be entered into prior to
9 twenty days after the last advertisement.

10 (5) The provisions of subsection (2) of this section and
11 sections 70-638 and 70-639 shall not apply to contracts in excess
12 of ~~one hundred thousand dollars~~ two hundred fifty thousand dollars,
13 for those districts with a gross revenue of less than five hundred
14 million dollars, or five hundred thousand dollars, for those
15 districts with a gross revenue of five hundred million dollars or
16 more, entered into for the purchase of any materials, machinery, or
17 apparatus to be used in projects described in subdivision (1) (a) of
18 this section if, after advertising for sealed bids:

19 (a) No responsive bids are received; or

20 (b) The board of directors of such district determines
21 that all bids received are in excess of the fair market value of
22 the subject matter of such bids.

23 (6) Notwithstanding any other provision of subsection (2)
24 of this section or sections 70-638 and 70-639, a district may,
25 without advertising or sealed bidding, purchase replacement parts

1 or services relating to such replacement parts for any generating
2 unit, transformer, or other transmission and distribution equipment
3 from the original manufacturer of such equipment upon certification
4 by an engineer or engineers that such manufacturer is the only
5 available source of supply for such replacement parts or services
6 and that such purchase is in compliance with standards established
7 by the board. A written statement containing such certification
8 and a description of the resulting purchase of replacement parts
9 or services from the original manufacturer shall be submitted to
10 the board by the engineer or engineers certifying the purchase for
11 the board's approval. After such certification, but not necessarily
12 before the board review, notice of any such purchase shall be
13 published once a week for at least three consecutive weeks in
14 one or more newspapers of general circulation in the district
15 and published in such additional newspapers or trade or technical
16 periodicals as may be selected by the board in order to give proper
17 notice of such purchase.

18 (7) Notwithstanding any other provision of subsection (2)
19 of this section or sections 70-638 and 70-639, a district may,
20 without advertising or sealed bidding, purchase used equipment and
21 materials on a negotiated basis upon certification by an engineer
22 that such equipment is or such materials are in compliance with
23 standards established by the board. A written statement containing
24 such certification shall be submitted to the board by the engineer
25 for the board's approval.

LB 300

LB 300

1 Sec. 2. Original section 70-637, Revised Statutes
2 Cumulative Supplement, 2008, is repealed.