

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 HOUSE BILL 1753

By: Martin (Scott)

4  
5 AS INTRODUCED

6 An Act relating to public buildings and public works;  
7 amending 61 O.S. 2001, Section 121, as last amended  
8 by Section 23, Chapter 271, O.S.L. 2006 (61 O.S.  
9 Supp. 2008, Section 121), which relates to the Public  
Competitive Bidding Act of 1974; modifying approval  
of change orders; and providing an effective date.

10  
11  
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 61 O.S. 2001, Section 121, as last  
14 amended by Section 23, Chapter 271, O.S.L. 2006 (61 O.S. Supp. 2008,  
15 Section 121), is amended to read as follows:

16 Section 121. A. Change orders or addenda to public  
17 construction contracts of One Million Dollars (\$1,000,000.00) or  
18 less shall not exceed a fifteen percent (15%) cumulative increase in  
19 the original contract amount.

20 B. Change orders or addenda to public construction contracts of  
21 over One Million Dollars (\$1,000,000.00) shall not exceed the  
22 greater of One Hundred Fifty Thousand Dollars (\$150,000.00) or a ten  
23 percent (10%) cumulative increase in the original contract amount.

1 C. Change orders or cumulative change orders which exceed the  
2 limits of subsection A or B of this section shall require a  
3 readvertising for bids on the incomplete portions of the contract.

4 D. If the awarding public agency does not have a governing  
5 body, the chief administrative officer of the awarding public agency  
6 shall approve change orders. The State Construction Administrator  
7 of the Construction and Properties Division of the Department of  
8 Central Services, or the administrator's designee, shall sign and  
9 execute all contracts and change orders, as they relate to state  
10 agencies.

11 E. If the awarding public agency has a governing body, ~~all~~  
12 approval of change orders shall may be formally approved delegated  
13 to the city manager or designee as chosen by the governing body ~~of~~  
14 ~~the awarding public agency and the reasons for approval recorded in~~  
15 ~~the permanent records of the governing body,~~ with reporting  
16 requirements to the council, up to ten percent (10%) of any  
17 contract.

18 F. The governing body of the Oklahoma Tourism and Recreation  
19 Department is authorized, upon approval of a majority of all of the  
20 members of the Oklahoma Tourism and Recreation Commission, to  
21 delegate to the Director of the agency the authority to approve  
22 change orders on a construction contract provided that the  
23 individual change order does not exceed Twenty-five Thousand Dollars  
24 (\$25,000.00) in expenditure and complies with the limits established

1 by this section. The Administrator of the Division shall sign and  
2 execute all contracts and change orders.

3 G. The Transportation Commission may, by rule, authorize the  
4 Director of the Department of Transportation to approve change  
5 orders in an amount of not to exceed Five Hundred Thousand Dollars  
6 (\$500,000.00). Change orders approved by the Director shall be  
7 presented to the Transportation Commission during the next regular  
8 meeting and the reasons therefor recorded in the permanent records.  
9 The Oklahoma Turnpike Authority may authorize the Director of the  
10 Authority to approve change orders in an amount not to exceed Two  
11 Hundred Fifty Thousand Dollars (\$250,000.00). Change orders  
12 approved by the Director of the Authority shall be presented to the  
13 Authority during the next regular meeting and the reasons for the  
14 orders recorded in permanent records.

15 H. All change orders for the Department of Transportation or  
16 the Authority shall contain a unit price and total for each of the  
17 following items:

- 18 1. All materials with cost per item;
- 19 2. Itemization of all labor with number of hours per operation  
20 and cost per hour;
- 21 3. Itemization of all equipment with the type of equipment,  
22 number of each type, cost per hour for each type, and number of  
23 hours of actual operation for each type;

24

1 4. Itemization of insurance cost, bond cost, social security,  
2 taxes, workers' compensation, employee fringe benefits and overhead  
3 cost; and

4 5. Profit for the contractor.

5 I. 1. If a construction contract contains unit pricing, and  
6 the change order pertains to the unit price, the change order will  
7 not be subject to subsection A or B of this section.

8 2. When the unit price change does not exceed Ten Thousand  
9 Dollars (\$10,000.00), the unit price change order computation may be  
10 based on an acceptable unit price basis in lieu of cost itemization  
11 as required in paragraphs 1, 2, 3, 4 and 5 of subsection H of this  
12 section.

13 J. Alternates or add items bid with the original bid and  
14 contained in the awarded contract as options of the awarding public  
15 agency shall not be construed as change orders under the provisions  
16 of the Public Competitive Bidding Act of 1974.

17 SECTION 2. This act shall become effective November 1, 2009.

18

19 52-1-6093 LRB 12/31/08

20

21

22

23

24