



## 2019 BILL

1 AN ACT *to amend* 84.06 (2) (a); and *to create* 84.06 (2) (c) of the statutes;  
2 **relating to:** bidding procedures for highway improvements.

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### *Analysis by the Legislative Reference Bureau*

Under current law, highway improvement projects undertaken by the Department of Transportation, with limited exceptions, must be executed by contract based on bids. Under this bill, with an exception, if only one bid from a competent bidder is received for a contract and the bid is in excess of 110 percent of the estimated reasonable value of the work, DOT must reject the bid and readvertise the contract for bids in a manner likely to increase the number of bidders.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

3 **SECTION 1.** 84.06 (2) (a) of the statutes is amended to read:  
4 84.06 (2) (a) All such highway improvements shall be executed by contract  
5 based on bids unless the department finds that another method as provided in sub.  
6 (3) or (4) would be more feasible and advantageous. Bids shall be advertised for in

**BILL****SECTION 1**

1 the manner determined by the department. Except as provided in par. (c) and s.  
2 84.075, the contract shall be awarded to the lowest competent and responsible bidder  
3 as determined by the department. If the bid of the lowest competent bidder is  
4 determined by the department to be in excess of the estimated reasonable value of  
5 the work or not in the public interest, all bids may be rejected. The department shall,  
6 so far as reasonable, follow uniform methods of advertising for bids and may  
7 prescribe and require uniform forms of bids and contracts. Except as provided in par.  
8 (b), the secretary shall enter into the contract on behalf of the state. Every such  
9 contract is exempted from ss. 16.70 to 16.75, 16.755 to 16.82, 16.87 and 16.89, but  
10 ss. 16.528, 16.752, 16.753, and 16.754 apply to the contract. Any such contract  
11 involving an expenditure of \$1,000 or more shall not be valid until approved by the  
12 governor. The secretary may require the attorney general to examine any contract  
13 and any bond submitted in connection with the contract and report on its sufficiency  
14 of form and execution. The bond required by s. 779.14 (1m) is exempt from approval  
15 by the governor and shall be subject to approval by the secretary. This subsection  
16 also applies to contracts with private contractors based on bids for maintenance  
17 under s. 84.07.

18 **SECTION 2.** 84.06 (2) (c) of the statutes is created to read:

19 84.06 (2) (c) Except as provided in the paragraph, if the department receives  
20 only one bid for a contract from a competent bidder and the bid exceeds 110 percent  
21 of the estimated reasonable value of the work under the contract, as determined by  
22 the department, the department shall reject the bid and readvertise the contract for  
23 bids. Notwithstanding par. (b), if the department readvertises for bids under this  
24 paragraph, it shall advertise in a manner likely to increase the number of bidders.  
25 If the department determines that readvertising the contract for bids will adversely

**BILL**

1 affect public safety, the department may award the contract to the sole bidder if, upon  
2 request, the joint committee on finance approves the award.

3 **SECTION 3. Initial applicability.**

4 (1) This act first applies to a contract advertised for bids on the effective date  
5 of this subsection.

6 (END)