
SUBJECT: BID OPENING PROCEDURE (FOR COUNTY ROADS)

ADOPTED DATE: JANUARY 17, 2006

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NDCC 24-05-04. CONTRACTS TO BE ADVERTISED -- REQUIREMENTS FOR RENTAL CONTRACTS.

"Any purchase of county road machinery and any rental contract or agreement for the use of road machinery and other articles or any contract for highway improvement, except necessary repairs for road machinery, which exceeds the sum of fifty thousand dollars must be advertised as provided by law for the purchase of county supplies. The board of county commissioners may not enter into a rental contract or agreement for the use of road machinery and other articles for a longer period than twelve months from the date of the rental contract or agree to pay rental for the use of road machinery and other articles which would result in the lessor receiving rental at a rate in excess of twenty percent per year of the cash sale price of the road machinery or other articles, which cash sale price of the road machinery and other articles must be clearly set forth in any rental contract for road machinery and other articles, and failure to include this data in any rental contract for the use of road machinery and other articles renders the rental contract void, and any payments made under the rental contract are recoverable from the county commissioners making the contract, jointly and severally. Notwithstanding the provisions of this section relating to the duration of rental contracts, the board of county commissioners may enter into lease-purchase agreements under which the annual payments by the county do not exceed twenty thousand dollars for the road machinery and articles covered by this section, if those agreements provide for the complete performance and full payment of the purchase price of the machinery or articles within five years from the date of the execution of the lease-purchase agreement according to section 44-08-01.1."

NOTE: THE NORTH DAKOTA ATTORNEY GENERAL'S OFFICE HAS COMPILED A "CONTRACT DRAFTING AND REVIEW MANUAL" WHICH SETS FORTH GENERAL PRINCIPLES APPLICABLE TO COUNTY CONTRACTS REQUIRING COMPETITIVE BIDDING. THE MANUAL IS AVAILABLE ON THE ATTORNEY GENERAL'S WEBSITE.

ADDENDUM: NOTWITHSTANDING STATE LAW REQUIREMENTS LISTED ABOVE, INFORMAL BIDDING IS ALLOWED FOR THE PURCHASE OF COUNTY ROAD MACHINERY AND OTHER ARTICLES, OR ANY CONTRACT FOR HIGHWAY IMPROVEMENT, WHICH IS FIFTY THOUSAND DOLLARS AND UNDER.

HISTORICAL REFERENCE DATE: MAY 4, 1992