### 40A:11-23.1a

#### LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF**: 2012 **CHAPTER**: 73

NJSA: 40A:11-23.1a (Requires plans, specifications, and bid proposal documents for certain local

public contracts to address soil contamination, and requires contracting unit to approve

change order under certain circumstances related thereto)

BILL NO: A1289 (Substituted for S1355)

**SPONSOR(S)** Jasey and others

**DATE INTRODUCED:** January 10, 2012

**COMMITTEE:** ASSEMBLY: Environment and Solid Waste

SENATE: ---

AMENDED DURING PASSAGE: Yes

**DATE OF PASSAGE:** ASSEMBLY: October 18, 2012

**SENATE:** October 25, 2012

**DATE OF APPROVAL:** December 3, 2012

**FOLLOWING ARE ATTACHED IF AVAILABLE:** 

FINAL TEXT OF BILL (Second Reprint enacted)

A1289

SPONSOR'S STATEMENT: (Begins on page 4 of introduced bill)

Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

**FLOOR AMENDMENT STATEMENT:** Yes 5-24-12

6-21-12

LEGISLATIVE FISCAL NOTE: No

S1355

SPONSOR'S STATEMENT: (Begins on page 4 of original bill)

Yes

**COMMITTEE STATEMENT:** ASSEMBLY: No

**SENATE**: Yes

FLOOR AMENDMENT STATEMENT: Yes 5-31-12

6-21-12

(continued)

	LEGISLATIVE FISCAL ESTIMATE:	INO
	VETO MESSAGE:	No
	GOVERNOR'S PRESS RELEASE ON SIGNING:	No
FOLLO	DWING WERE PRINTED:  To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or mailto:refdesk@njstateli	b.org
	REPORTS:	No
	HEARINGS:	No
	NEWSPAPER ARTICLES:	No

LAW/KR

### P.L.2012, CHAPTER 73, approved December 3, 2012 Assembly, No. 1289 (Second Reprint)

1 AN ACT concerning certain local public contracts for projects 2 involving the removal of soil, and amending and supplementing 3 P.L.1999, c.39.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

- 1. Section 1 of P.L.1999, c.39 (C.40A:11-23.1) is amended to read as follows:
- 1. All plans, specifications and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or other improvement to real property, the total price of which exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), shall include:
- a. a document for the bidder to acknowledge the bidder's receipt of any notice or revisions or addenda to the advertisement or bid documents; and
- b. a form listing those documentary and informational forms, certifications, and other documents that the contracting agent requires each bidder to submit with the bid. The form shall list each of the items to be submitted with the bid proposal and a place for the bidder to indicate, by initialing each entry, that the bidder has included those required items with the completed bid proposal. Each bidder shall complete this form and submit it with the bid proposal in addition to those documentary and informational forms, certifications, and other documents that are listed on the form; and
- c. a statement indicating whether uniformed law enforcement officers will be required for the project. The statement shall include a line item allowance, which shall be a good faith effort on the part of the contracting unit, to reasonably estimate the total cost of traffic control personnel, vehicles, equipment, administrative, or any other costs associated with additional traffic control requirements required by the contracting unit, or any other public entity affected by the project, above and beyond the bidder's traffic control personnel, vehicles, equipment, and administrative costs. The individuals responsible for the assignment of uniformed law enforcement officers for any municipalities affected by a project shall be required to determine where traffic safety control is needed

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup>Assembly floor amendments adopted May 24, 2012.

<sup>&</sup>lt;sup>2</sup>Assembly floor amendments adopted June 21, 2012.

for a project, and calculate the number and placement of all necessary personnel, equipment, and the costs associated with these, including hourly rates, and submit this information to the contracting unit.

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46 47 The contracting unit shall not be responsible for additional traffic control costs beyond the number of working days specified in the construction contract in accordance with section 17 of P.L.1971, c.198 (C.40A:11-17), when such a delay is caused by the contractor and liquidated damages have been assessed.

The statement prescribed under this subsection shall not be required if the contracting unit will provide for the direct payment of uniformed law enforcement officers and any additional costs directly associated with the provision of those officers; and

d. at the option of the contracting unit, specified alternate proposals in addition to a base specification. When the contracting unit specifies alternate proposals, the determination of which bidder's response to a request for bids offers the lowest price shall be made on the basis of the price of: (i) the base specification plus the price of any selected specified alternate proposals; or (ii) a choice of specified alternative proposals within the limit of funds that may be made available for a project. If a contracting unit provides for more than one specified alternate proposal, the contracting unit shall specify in the bid specification the criteria or ranked order by which specified alternate proposals shall be selected and included in the award of the contract by the governing body, provided that this requirement shall only apply to a project with a total estimated cost, including specified alternate proposals, of greater than \$500,000. The aggregate dollar value of accepted specified alternative proposals shall not exceed 50 percent of the base bid. If a contracting unit is found in a court of law to have chosen specific alternative proposals in a manner intended to award a contract to a specific vendor, the bids shall be voided, the contracting unit shall rebid the project, and a plaintiff who prevails in any proceeding shall be entitled to a reasonable attorney's fee.

For the purposes of this subsection:

"Specified alternate proposal" means a requirement of the bid specification for bidders to submit prices for reduced, modified or supplemental work in addition to the base proposal which may include, but not be limited to, a change in project scope or the use of alternative materials or methods of construction;

"Base specification" means the plans and specifications for the erection, alteration or repair of the building, structure, facility or other improvement to real property that are required to be met by all bidders without exception ; and

e. in the case of a project that includes the removal of soil from the site, <sup>1</sup>[a statement provided by a laboratory using testing methods approved by the Department of Environmental Protection]

#### A1289 [2R]

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disclosure of any documentation relative to the known soil 1 2 conditions at the site including, but not limited to, any test results<sup>1</sup> specifying the level of contamination, if any, of the soil that has 3 4 been found at the site of the project, or <sup>1</sup>if a project is located on a 5 site with historical or suspected contamination, 1 a line item allowance or minimum unit price line item for soil testing and 6 contaminated soil disposal<sup>1</sup>, which shall be a good faith effort on 7 8 the part of the contracting unit to reasonably estimate the total cost 9 of testing the soil <sup>1</sup>[, and if found to be contaminated, the cost of 10 disposal of the contaminated soil and disposing of it 1. (cf: P.L.2009, c.292, s.1) 11

1 (Cl. P.L.2009, C.292

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<sup>1</sup>[2.(New section) The Department of Environmental Protection may adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), establishing the criteria under which soil testing shall be conducted, and the testing parameters therefor, for projects subject to the provisions of subsection e. of section 1 of P.L.1999, c.39 (C.40A:11-23.1), upon a determination that such rules and regulations are necessary for the protection of public health and safety. ]<sup>1</sup>

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<sup>1</sup>2. (New section) In the case of a project for the erection, alteration, or repair of a building, structure, facility or other improvement to real property, the total price of which exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), that does not have historical or suspected soil contamination, or for which the plans, specifications and bid proposal documents for the project do not include a line item allowance or minimum unit price line item for soil testing and contaminated soil disposal pursuant to subsection e. of section 1 of P.L.1999, c.39 (C.40A:11-23.1), and contaminated soil from the site cannot be disposed of pursuant to the plans, specifications and bid proposal documents due to the contaminated soil being found to be different from the type or quality originally disclosed, the contracting unit shall approve 2, consistent with and subject to the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), and any rules or regulations adopted pursuant thereto,<sup>2</sup> a change order to reimburse the contractor for the additional <sup>2</sup>reasonable <sup>2</sup> costs <sup>2</sup>, as determined by the contracting unit, 2 required to test and dispose of the contaminated soil.1

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3. This act shall take effect immediately.

# **A1289** [2R]

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3	Requires plans, specifications, and bid proposal documents for
4	certain local public contracts to address soil contamination, and
5	requires contracting unit to approve change order under certain
6	circumstances related thereto.

# ASSEMBLY, No. 1289

# STATE OF NEW JERSEY

# 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

### **Sponsored by:**

Assemblywoman MILA M. JASEY District 27 (Essex and Morris) Assemblyman JOHN F. MCKEON District 27 (Essex and Morris)

### Co-Sponsored by:

Assemblywoman Wagner, Assemblymen Benson and Eustace

#### **SYNOPSIS**

Requires plans, specifications, and bid proposal documents for certain local public contracts to address soil contamination.

#### **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 2/3/2012)

**AN ACT** concerning certain local public contracts for projects involving the removal of soil, and amending and supplementing P.L.1999, c.39.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

- 1. Section 1 of P.L.1999, c.39 (C.40A:11-23.1) is amended to read as follows:
- 1. All plans, specifications and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or other improvement to real property, the total price of which exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), shall include:
- a. a document for the bidder to acknowledge the bidder's receipt of any notice or revisions or addenda to the advertisement or bid documents; and
- b. a form listing those documentary and informational forms, certifications, and other documents that the contracting agent requires each bidder to submit with the bid. The form shall list each of the items to be submitted with the bid proposal and a place for the bidder to indicate, by initialing each entry, that the bidder has included those required items with the completed bid proposal. Each bidder shall complete this form and submit it with the bid proposal in addition to those documentary and informational forms, certifications, and other documents that are listed on the form; and
- a statement indicating whether uniformed law enforcement officers will be required for the project. The statement shall include a line item allowance, which shall be a good faith effort on the part of the contracting unit, to reasonably estimate the total cost of traffic control personnel, vehicles, equipment, administrative, or any other costs associated with additional traffic control requirements required by the contracting unit, or any other public entity affected by the project, above and beyond the bidder's traffic control personnel, vehicles, equipment, and administrative costs. The individuals responsible for the assignment of uniformed law enforcement officers for any municipalities affected by a project shall be required to determine where traffic safety control is needed for a project, and calculate the number and placement of all necessary personnel, equipment, and the costs associated with these, including hourly rates, and submit this information to the contracting unit.

The contracting unit shall not be responsible for additional traffic control costs beyond the number of working days specified in the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

construction contract in accordance with section 17 of P.L.1971, 1 2 c.198 (C.40A:11-17), when such a delay is caused by the contractor 3 and liquidated damages have been assessed.

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The statement prescribed under this subsection shall not be required if the contracting unit will provide for the direct payment of uniformed law enforcement officers and any additional costs directly associated with the provision of those officers; and

8 d. at the option of the contracting unit, specified alternate 9 proposals in addition to a base specification. When the contracting 10 unit specifies alternate proposals, the determination of which 11 bidder's response to a request for bids offers the lowest price shall 12 be made on the basis of the price of: (i) the base specification plus 13 the price of any selected specified alternate proposals; or (ii) a 14 choice of specified alternative proposals within the limit of funds 15 that may be made available for a project. If a contracting unit provides for more than one specified alternate proposal, the 16 17 contracting unit shall specify in the bid specification the criteria or 18 ranked order by which specified alternate proposals shall be 19 selected and included in the award of the contract by the governing 20 body, provided that this requirement shall only apply to a project with a total estimated cost, including specified alternate proposals, 22 of greater than \$500,000. The aggregate dollar value of accepted 23 specified alternative proposals shall not exceed 50 percent of the 24 base bid. If a contracting unit is found in a court of law to have 25 chosen specific alternative proposals in a manner intended to award 26 a contract to a specific vendor, the bids shall be voided, the 27 contracting unit shall rebid the project, and a plaintiff who prevails 28 in any proceeding shall be entitled to a reasonable attorney's fee.

For the purposes of this subsection:

"Specified alternate proposal" means a requirement of the bid specification for bidders to submit prices for reduced, modified or supplemental work in addition to the base proposal which may include, but not be limited to, a change in project scope or the use of alternative materials or methods of construction;

"Base specification" means the plans and specifications for the erection, alteration or repair of the building, structure, facility or other improvement to real property that are required to be met by all bidders without exception; and

e. in the case of a project that includes the removal of soil from the site, a statement provided by a laboratory using testing methods approved by the Department of Environmental Protection specifying the level of contamination, if any, of the soil that has been found at the site of the project, or a line item allowance, which shall be a good faith effort on the part of the contracting unit to reasonably estimate the total cost of testing the soil, and if found to be contaminated, the cost of disposal of the contaminated soil.

47 (cf: P.L.2009, c.292, s.1)

#### A1289 JASEY, MCKEON

2. (New section) The Department of Environmental Protection may adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), establishing the criteria under which soil testing shall be conducted, and the testing parameters therefor, for projects subject to the provisions of subsection e. of section 1 of P.L.1999, c.39 (C.40A:11-23.1), upon a determination that such rules and regulations are necessary for the protection of public health and safety.

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3. This act shall take effect immediately.

#### **STATEMENT**

This bill amends section 1 of P.L.1999, c.39 (C.40A:11-23.1), the section of law concerning plans, specifications, and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or any other improvement to real property, for which the total price exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), i.e., the "Local Public Contracts Law."

Under this bill, any plans, specifications, and bid proposal documents for such projects that involve the removal of soil from the site would be required to include a statement provided by a laboratory using sampling methods approved by the Department of Environmental Protection specifying the level of contamination of the soil that has been found at the site of the project. In the alternative, a line item allowance would be authorized, which must be a good faith effort on the part of the contracting unit to reasonably estimate the total cost of testing the soil and, if found to be contaminated, the cost of disposal of the contaminated soil.

The bill also adds a provision authorizing the Department of Environmental Protection to adopt rules and regulations that establish criteria under which soil testing shall be conducted, and the testing parameters therefor, for projects subject to the provisions of the bill, upon a determination that rules and regulations are necessary for the protection of public health and safety.

# ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

#### STATEMENT TO

## ASSEMBLY, No. 1289

# STATE OF NEW JERSEY

DATED: FEBRUARY 2, 2012

The Assembly Environment and Solid Waste Committee reports favorably Assembly Bill No. 1289.

This bill amends section 1 of P.L.1999, c.39 (C.40A:11-23.1), the section of law concerning plans, specifications, and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or any other improvement to real property, for which the total price exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), i.e., the "Local Public Contracts Law."

Under this bill, any plans, specifications, and bid proposal documents for such projects that involve the removal of soil from the site would be required to include a statement provided by a laboratory using sampling methods approved by the Department of Environmental Protection (DEP) specifying the level of contamination of the soil that has been found at the site of the project. In the alternative, a line item allowance would be authorized, which must be a good faith effort on the part of the contracting unit to reasonably estimate the total cost of testing the soil and, if found to be contaminated, the cost of disposal of the contaminated soil.

The bill authorizes the DEP to adopt rules and regulations that establish criteria under which soil testing must be conducted, and the testing parameters therefor, for projects subject to the provisions of the bill, upon a determination that rules and regulations are necessary for the protection of public health and safety.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

## ASSEMBLY, No. 1289

with Assembly Floor Amendments (Proposed by Assemblywoman JASEY)

**ADOPTED: MAY 24, 2012** 

These floor amendments would require any plans, specifications, and bid proposal documents for projects that involve the removal of soil from the site, for which the total price exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), i.e., the "Local Public Contracts Law," to disclose any information relative to the soil conditions at the project site, or in the case of historical or suspected contamination at the project site, include a line item allowance or minimum unit price line item for the testing and disposal of the contaminated soil to be removed.

These floor amendments also add a new section that would require a contracting unit to approve a change order to reimburse the contractor for additional costs relative to testing and disposal of the contaminated soil in instances when the soil cannot be disposed of pursuant to the plans, specifications and bid proposal documents for project sites that do not have historical or suspected soil contamination or a line item allowance or minimum unit price line item for testing and disposal of the soil.

Lastly, these floor amendments delete the provisions of the bill that would have: (1) required any plans, specifications, and bid proposal documents for such projects to include a statement provided by a laboratory using sampling methods approved by the Department of Environmental Protection (DEP) specifying the level of contamination of the soil that has been found at the site of the project; and (2) authorized the DEP to adopt rules and regulations that establish criteria under which soil testing would be conducted, and the testing parameters therefor, for projects subject to the provisions of the bill.

# [First Reprint] ASSEMBLY, No. 1289

with Assembly Floor Amendments (Proposed by Assemblywoman JASEY)

ADOPTED: JUNE 21, 2012

These floor amendments amend section 2 of the bill to require the contracting unit to approve, consistent with and subject to the "Local Public Contracts Law," and any rules or regulations adopted pursuant thereto, a change order to reimburse the contractor for the additional reasonable costs, as determined by the contracting unit, required to test and dispose of the contaminated soil.

# SENATE, No. 1355

# **STATE OF NEW JERSEY**

# 215th LEGISLATURE

INTRODUCED FEBRUARY 6, 2012

**Sponsored by:** 

Senator CHRISTOPHER "KIP" BATEMAN

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)** 

Senator ROBERT M. GORDON District 38 (Bergen and Passaic)

#### **SYNOPSIS**

Requires plans, specifications, and bid proposal documents for certain local public contracts to address soil contamination.

#### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning certain local public contracts for projects 2 involving the removal of soil, and amending and supplementing 3 P.L.1999, c.39.

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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 1. Section 1 of P.L.1999, c.39 (C.40A:11-23.1) is amended to read as follows:
- 1. All plans, specifications and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or other improvement to real property, the total price of which exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), shall include:
- a. a document for the bidder to acknowledge the bidder's receipt of any notice or revisions or addenda to the advertisement or bid documents; and
- b. a form listing those documentary and informational forms, certifications, and other documents that the contracting agent requires each bidder to submit with the bid. The form shall list each of the items to be submitted with the bid proposal and a place for the bidder to indicate, by initialing each entry, that the bidder has included those required items with the completed bid proposal. Each bidder shall complete this form and submit it with the bid proposal in addition to those documentary and informational forms, certifications, and other documents that are listed on the form; and
- a statement indicating whether uniformed law enforcement officers will be required for the project. The statement shall include a line item allowance, which shall be a good faith effort on the part of the contracting unit, to reasonably estimate the total cost of traffic control personnel, vehicles, equipment, administrative, or any other costs associated with additional traffic control requirements required by the contracting unit, or any other public entity affected by the project, above and beyond the bidder's traffic control personnel, vehicles, equipment, and administrative costs. The individuals responsible for the assignment of uniformed law enforcement officers for any municipalities affected by a project shall be required to determine where traffic safety control is needed for a project, and calculate the number and placement of all necessary personnel, equipment, and the costs associated with these, including hourly rates, and submit this information to the contracting unit.
- The contracting unit shall not be responsible for additional traffic control costs beyond the number of working days specified in the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

1 construction contract in accordance with section 17 of P.L.1971, 2 c.198 (C.40A:11-17), when such a delay is caused by the contractor 3 and liquidated damages have been assessed.

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The statement prescribed under this subsection shall not be required if the contracting unit will provide for the direct payment of uniformed law enforcement officers and any additional costs directly associated with the provision of those officers; and

d. at the option of the contracting unit, specified alternate proposals in addition to a base specification. When the contracting unit specifies alternate proposals, the determination of which bidder's response to a request for bids offers the lowest price shall be made on the basis of the price of: (i) the base specification plus the price of any selected specified alternate proposals; or (ii) a choice of specified alternative proposals within the limit of funds that may be made available for a project. If a contracting unit provides for more than one specified alternate proposal, the contracting unit shall specify in the bid specification the criteria or ranked order by which specified alternate proposals shall be selected and included in the award of the contract by the governing body, provided that this requirement shall only apply to a project with a total estimated cost, including specified alternate proposals, of greater than \$500,000. The aggregate dollar value of accepted specified alternative proposals shall not exceed 50 percent of the base bid. If a contracting unit is found in a court of law to have chosen specific alternative proposals in a manner intended to award a contract to a specific vendor, the bids shall be voided, the contracting unit shall rebid the project, and a plaintiff who prevails in any proceeding shall be entitled to a reasonable attorney's fee.

For the purposes of this subsection:

"Specified alternate proposal" means a requirement of the bid specification for bidders to submit prices for reduced, modified or supplemental work in addition to the base proposal which may include, but not be limited to, a change in project scope or the use of alternative materials or methods of construction;

"Base specification" means the plans and specifications for the erection, alteration or repair of the building, structure, facility or other improvement to real property that are required to be met by all bidders without exception ; and

e. in the case of a project that includes the removal of soil from the site, a statement provided by a laboratory using testing methods approved by the Department of Environmental Protection specifying the level of contamination, if any, of the soil that has been found at the site of the project, or a line item allowance, which shall be a good faith effort on the part of the contracting unit to reasonably estimate the total cost of testing the soil, and if found to be contaminated, the cost of disposal of the contaminated soil.

47 (cf: P.L.2009, c.292, s.1)

#### S1355 BATEMAN, GORDON

2. (New section) The Department of Environmental Protection may adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), establishing the criteria under which soil testing shall be conducted, and the testing parameters therefor, for projects subject to the provisions of subsection e. of section 1 of P.L.1999, c.39 (C.40A:11-23.1), upon a determination that such rules and regulations are necessary for the protection of public health and safety.

3. This act shall take effect immediately.

#### **STATEMENT**

This bill amends section 1 of P.L.1999, c.39 (C.40A:11-23.1), the section of law concerning plans, specifications, and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or any other improvement to real property, for which the total price exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), i.e., the "Local Public Contracts Law."

Under this bill, any plans, specifications, and bid proposal documents for such projects that involve the removal of soil from the site would be required to include a statement provided by a laboratory using sampling methods approved by the Department of Environmental Protection (DEP) specifying the level of contamination of the soil that has been found at the site of the project. In the alternative, a line item allowance would be authorized, which must be a good faith effort on the part of the contracting unit to reasonably estimate the total cost of testing the soil and, if found to be contaminated, the cost of disposal of the contaminated soil.

The bill authorizes the DEP to adopt rules and regulations that establish criteria under which soil testing shall be conducted, and the testing parameters therefor, for projects subject to the provisions of the bill, upon a determination that rules and regulations are necessary for the protection of public health and safety.

### SENATE ENVIRONMENT AND ENERGY COMMITTEE

#### STATEMENT TO

## SENATE, No. 1355

# STATE OF NEW JERSEY

DATED: FEBRUARY 27, 2012

The Senate Environment and Energy Committee favorably reports Senate Bill No. 1355.

This bill amends section 1 of P.L.1999, c.39 (C.40A:11-23.1), the section of law concerning plans, specifications, and bid proposal documents for the erection, alteration, or repair of a building, structure, facility or any other improvement to real property, for which the total price exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), i.e., the "Local Public Contracts Law."

Under this bill, any plans, specifications, and bid proposal documents for such projects that involve the removal of soil from the site would be required to include a statement provided by a laboratory using sampling methods approved by the Department of Environmental Protection (DEP) specifying the level of contamination of the soil that has been found at the site of the project. In the alternative, a line item allowance would be authorized, which must be a good faith effort on the part of the contracting unit to reasonably estimate the total cost of testing the soil and, if found to be contaminated, the cost of disposal of the contaminated soil.

The bill authorizes the DEP to adopt rules and regulations that establish criteria under which soil testing must be conducted, and the testing parameters therefor, for projects subject to the provisions of the bill, upon a determination that rules and regulations are necessary for the protection of public health and safety.

### SENATE, No. 1355

with Senate Floor Amendments (Proposed by Senator BATEMAN)

ADOPTED: MAY 31, 2012

These floor amendments would require any plans, specifications, and bid proposal documents for projects that involve the removal of soil from the site, for which the total price exceeds the amount set forth in, or the amount calculated by the Governor pursuant to, section 3 of P.L.1971, c.198 (C.40A:11-3), i.e., the "Local Public Contracts Law," to disclose any information relative to the soil conditions at the project site, or in the case of historical or suspected contamination at the project site, include a line item allowance or minimum unit price line item for the testing and disposal of the contaminated soil to be removed.

These floor amendments also add a new section that would require a contracting unit to approve a change order to reimburse the contractor for additional costs relative to testing and disposal of the contaminated soil in instances when the soil cannot be disposed of pursuant to the plans, specifications and bid proposal documents for project sites that do not have historical or suspected soil contamination or a line item allowance or minimum unit price line item for testing and disposal of the soil.

Lastly, these floor amendments delete the provisions of the bill that would have: (1) required any plans, specifications, and bid proposal documents for such projects to include a statement provided by a laboratory using sampling methods approved by the Department of Environmental Protection (DEP) specifying the level of contamination of the soil that has been found at the site of the project; and (2) authorized the DEP to adopt rules and regulations that establish criteria under which soil testing would be conducted, and the testing parameters therefor, for projects subject to the provisions of the bill.

# [First Reprint] **SENATE, No. 1355**

with Senate Floor Amendments (Proposed by Senator BATEMAN)

ADOPTED: JUNE 21, 2012

These floor amendments amend section 2 of the bill to require the contracting unit to approve, consistent with and subject to the "Local Public Contracts Law," and any rules or regulations adopted pursuant thereto, a change order to reimburse the contractor for the additional reasonable costs, as determined by the contracting unit, required to test and dispose of the contaminated soil.