

TRUNK LINE HIGHWAYS (EXCERPT)
Act 17 of 1925

250.62 Construction, improvement, and maintenance of trunk line highways; authority of state transportation department; contracts and subcontracts; periodic reports on extra work or labor; emergency action.

Sec. 2. (1) The state transportation department may contract with boards of county road commissioners, township boards, and municipalities of this state, or with any other person, persons, firm, or corporation for the construction, improvement, and maintenance of trunk line highways, or it may do the work on state account. The state transportation department, subject to the approval of the state administrative board, shall do all acts or things necessary to carry out the purpose of this act. The state transportation department, without approval of the state administrative board, may contract for extra work or labor, or both, not exceeding \$80,000.00 per contract for contracts having a value of \$800,000.00 or less and not exceeding 10% per contract for contracts having a value over \$800,000.00 under a contract with a private agency authorized by this section, and for an amount not exceeding \$800,000.00 under a contract with boards of county road commissioners, township boards, and municipalities of this state, except that each job for extra or additional work or labor, or both, in excess of \$250,000.00 shall require approval of the state administrative board.

(2) The state transportation department, without approval of the state administrative board, may contract, for an amount not exceeding \$100,000.00 for each contract, for toilet vault cleaning, use of licensed sanitary landfills, pickup and disposal of refuse, roadside mowing, roadside park and rest area maintenance, pavement surfacing and patching, rental of equipment for emergency repairs and maintenance operations, highway drainage, curb replacement, maintenance of office equipment, installation of utility services, installation of traffic control devices, and other highway operational activities. The state transportation department, without approval of the state administrative board, may authorize boards of county road commissioners, township boards, and municipalities, under contracts for the maintenance of trunk line highways, to subcontract in amounts not to exceed \$100,000.00 for each subcontract. The \$100,000.00 limit for subcontracts in this subsection is for total expenditures, including cost overruns and extras. The dollar amount limits provided by this subsection shall be adjusted on February 1 each year based on the percentage increase or decrease of the Detroit consumer price index for the 12-month state fiscal year ending the preceding September 30. The adjustment shall be determined by multiplying the percentage increase or decrease in the Detroit consumer price index times the dollar limitation provided by this subsection and adding the product to the dollar limitation for the previous year as adjusted by this subsection.

(3) The state administrative board may require that the state transportation department file periodic reports with the board on those contracts or authorizations for extra work or labor, or both, that do not require approval by the state administrative board. The state administrative board shall establish by resolution standards and procedures for these periodic reports.

(4) The state transportation department, without approval of the state administrative board, may contract with a person, business, or governmental unit described in subsection (1) or (2) in a reasonable amount under conditions that the department determines will require emergency action if a written report of the nature of the contract and the emergency are transmitted immediately to the state administrative board after the contract is entered into.

History: 1925, Act 17, Eff. Aug. 27, 1925;—CL 1929, 4426;—CL 1948, 250.62;—Am. 1968, Act 137, Imd. Eff. June 11, 1968;—Am. 1969, Act 129, Eff. Mar. 20, 1970;—Am. 1971, Act 92, Imd. Eff. Aug. 16, 1971;—Am. 1976, Act 73, Imd. Eff. Apr. 7, 1976;—Am. 1987, Act 188, Imd. Eff. Dec. 2, 1987;—Am. 2001, Act 279, Imd. Eff. Jan. 11, 2002.