

1 **2021 NYSAC Fall Seminar**
2 **Standing Committee on Transportation and Public Works**
3 **Resolution #1**

4 **Resolution Urging the Enactment of an Increase in the Statutory CHIPS**
5 **Bidding Threshold**

6 **WHEREAS**, under current law, funds allocated for the Consolidated Local Street and
7 Highway Improvement Program (CHIPS) are used to undertake work on projects either
8 with the municipality's own resources and workforces or by competitively-bid contracts;
9 and

10 **WHEREAS**, when the estimate for the contract work exceeds \$350,000 the work must
11 be competitively bid in accordance with the provisions for competitive bidding in the
12 General Municipal Law; and

13 **WHEREAS**, raising the competitive bidding threshold for highway projects is
14 necessary to compensate for increases in inflation impacting material, transportation,
15 labor, equipment and other highway construction costs; and

16 **WHEREAS**, the Governor is expected to include an increase in the current cost
17 threshold from \$350,000 to \$750,000 over which local highway and bridge
18 construction work under the CHIPS program must be competitively bid in the
19 Governor's 2022-2023 Executive Budget to be released in January; and

20 **WHEREAS**, the Governor justifies the need for the increase in the minimum
21 competitive bid threshold to mitigate the inflationary impacts on materials, labor,
22 equipment and other construction related costs and maintains that enactment of this
23 increase is necessary to allow more flexibility for municipalities.

24 **NOW, THEREFORE, BE IT RESOLVED**, that the New York State Association of
25 Counties (NYSAC) supports the adoption of budget language that increases the CHIPS
26 bidding threshold to give municipalities flexibility and the option to bid out or perform
27 in-house projects that cost less than \$750,000 to allow more opportunities for county
28 governments to act to minimize the cost of its transportation projects on behalf of local
29 taxpayers; and

30 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties
31 of New York State encouraging member counties to enact similar resolutions; and

32 **BE IT FURTHER RESOLVED**, the New York State Association of Counties shall
33 forward copies of this resolution to Governor Kathy Hochul, the New York State
34 Legislature and all others deemed necessary.