CES PROCUREMENT PARTNER NEWSLETTER



VENDOR HOUSEKEEPING ITEMS:

Please make sure your Bluebook profile AND pricing is always updated with the following, if not currently on file.

- 1. LOGO: For ease of identification of your company.
- 2. NAME CHANGE: If you have changed your name or ownership, please contact the CES Procurement Department as soon as you can, as there are documents CES needs in order to update your contract and Bluebook profile.
- 3. CERTIFICATE OF LIABLITY INSURANCE: CES and its members need your insurance updated yearly.
- 4. PRICING: Please update pricing as needed. If pricing does not match a quote, you will be contacted by a Purchasing Specialist and your quote, as well as the member's PO, will be placed on hold.
- 5. W-9: If you have recently updated your company information, please let CES know as well. A copy of your W-9 should be uploaded for each of your contracts.
- 6. **Price Quote/Proposal:** When preparing a quote/proposal under a CES awarded contract, clearly identify and break out quantities, descriptions, supplies, materials, equipment, and services into individual line items just as they appear on your awarded price schedule or the pricing methodology proposed in your RFP response. At a minimum, all quotes or proposals shall include the following: description, "hourly labor rate or the list/catalog unit price", "the per cent discount offered" and the final "CES price". **All stated prices must include the CES Contract Administrative Fee.**

Do <u>not</u> show the CES Contract Administrative Fee as a separate line. It is included (embedded) in your pricing, not added to it.

Shipping/Freight costs and the New Mexico Gross Receipts Tax as applicable must be stated in separate lines on your quote.

For questions and general assistance, please contact Angela Valadez, Procurement Department, at 505-344-5470 ext. 116.

NEW JOB ORDER CONTRACTING SOLICITATIONS (JOC) will be issued in the summer of 2025!

Impacts of House Bill 456 (Amending NMSA 13-1-154.1)

Subject: Expanded Procurement Limits for Architectural/Engineering Services and ConstructionBill: House Bill 456Effective Date: June 20, 2025

<u>Overview</u>

House Bill 456 updates the statutory limits on multiple-source contracts for architectural and engineering (A/E) services and construction under price agreements. The legislation is a direct response to cost escalations in the construction and professional services markets and reflects the practical needs of state and local agencies.

Key Improvements and Benefits		
Provision	Old Limit	New Limit
A/E Single Contract (PO) Cap	\$650,000	\$2,000,000
A/E Aggregate per Firm	\$7.5M over 4 years	\$15M over 4 years
Construction PO Cap	\$4M	\$7M
Construction Aggregate per Contractor	\$12.5M over 3 years	\$30M over 10 years

Positive Outcomes

- Realistic Budget Alignment The updated thresholds reflect modern project costs, which have more than doubled in most areas since 2020. This change allows agencies to fully scope and fund projects without artificially splitting work.
- Increased Efficiency Fewer procurement cycles reduce administrative burden, speed up project delivery, and save time and resources for both agencies and contractors.
- Improved Long-Term Planning The 10-year cap for construction contracts supports phased implementation of capital improvement plans, maintenance schedules, and infrastructure upgrades.
- Enhanced Service Continuity The ability to maintain contracts across a broader scope improves consistency in design, project management, and delivery—especially beneficial for rural or high-need areas.
- Greater Flexibility for Agencies Allows procurement professionals to manage complex projects with modern tools and budgets, helping agencies remain responsive and adaptive to changing needs.

Additional Consideration (For Awareness)

While overwhelmingly positive, the bill also underscores the importance of maintaining competition and transparency. Continued use of best practices—such as contract reporting—will ensure these expanded thresholds continue to benefit New Mexico taxpayers.

<u>Conclusion</u>

House Bill 456 is a timely and pragmatic modernization of procurement limits that enables New Mexico's public agencies to operate more effectively in today's cost environment. The bill supports better service delivery, project completion, and long-term stewardship of public infrastructure.

CES appreciates the teamwork exhibited by many members and Procurement Partners in working with the Legislature and the Governor to see these changes enacted in NM Statute. Onward and upward—together!