

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2345 Session of
1978

INTRODUCED BY IRVIS AND MEBUS, APRIL 11, 1978

REFERRED TO COMMITTEE ON URBAN AFFAIRS, APRIL 11, 1978

AN ACT

1 Amending the act of May 2, 1945 (P.L.382, No.164), entitled "An
2 act providing for the incorporation as bodies corporate and
3 politic of 'Authorities' for municipalities, counties and
4 townships; prescribing the rights, powers and duties of such
5 Authorities heretofore or hereafter incorporated; authorizing
6 such Authorities to acquire, construct, improve, maintain and
7 operate projects, and to borrow money and issue bonds
8 therefor; providing for the payment of such bonds, and
9 prescribing the rights of the holders thereof; conferring the
10 right of eminent domain on such Authorities; authorizing such
11 Authorities to enter into contracts with and to accept grants
12 from the Federal Government or any agency thereof; and
13 conferring exclusive jurisdiction on certain courts over
14 rates," regulating contract procedures and advertising for
15 bids.

16 The General Assembly of the Commonwealth of Pennsylvania
17 hereby enacts as follows:

18 Section 1. Subsections A and B of section 10, act of May 2,
19 1945 (P.L.382, No.164), known as the "Municipality Authorities
20 Act of 1945," amended November 23, 1976 (P.L.1149, No.250), are
21 amended to read:

22 Section 10. Competition in Award of Contracts.--A. All
23 construction, reconstruction, repairs or work of any nature made
24 by any Authority, where the entire cost, value or amount of such
25 construction, reconstruction, repairs or work, including labor

1 and materials, shall exceed [two thousand dollars (\$2,000)] five
2 thousand dollars (\$5,000), except construction, reconstruction,
3 repairs or work done by employees of said Authority, or by labor
4 supplied under agreement with any Federal or State agency, with
5 supplies and materials purchased as hereinafter provided, shall
6 be done only under contract or contracts to be entered into by
7 the Authority with the lowest responsible bidder upon proper
8 terms, after due public notice has been given asking for
9 competitive bids as hereinafter provided. No contract shall be
10 entered into for construction or improvement or repair of any
11 project or portion thereof, unless the contractor shall give an
12 undertaking with a sufficient surety or sureties approved by the
13 Authority, and in an amount fixed by the Authority, for the
14 faithful performance of the contract. All such contracts shall
15 provide among other things that the person or corporation
16 entering into such contract with the Authority will pay for all
17 materials furnished and services rendered for the performance of
18 the contract, and that any person or corporation furnishing such
19 materials or rendering such services may maintain an action to
20 recover for the same against the obligor in the undertaking, as
21 though such person or corporation was named therein, provided
22 the action is brought within one year after the time the cause
23 of action accrued. Nothing in this section shall be construed to
24 limit the power of the Authority to construct, repair or improve
25 any project or portion thereof, or any addition, betterment or
26 extension thereto, directly by the officers, agents and employees
27 of the Authority, or otherwise than by contract.

28 B. All supplies and materials costing [two thousand dollars
29 (\$2,000)] five thousand dollars (\$5,000), or more, shall be
30 purchased only after due advertisement as hereinafter provided.

1 Authority shall accept the lowest bid or bids, kind, quality and
2 material being equal, but the Authority shall have the right to
3 reject any or all bids or select a single item from any bid. The
4 provisions as to bidding shall not apply to the purchase of
5 patented and manufactured products offered for sale in a
6 noncompetitive market or solely by a manufacturer's authorized
7 dealer.

8 * * *

9 Section 2. This act shall take effect in 60 days.