
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 282 Session of
2011

INTRODUCED BY ROBBINS, EICHELBERGER, KASUNIC, FOLMER, GORDNER,
BOSCOLA, ORIE, RAFFERTY, YAW, M. WHITE, D. WHITE, ERICKSON,
BAKER, ALLOWAY, BRUBAKER, GREENLEAF, SMUCKER, WAUGH, FERLO,
VANCE, EARLL, SCARNATI, McILHINNEY AND PICCOLA,
JANUARY 26, 2011

REFERRED TO LOCAL GOVERNMENT, JANUARY 26, 2011

AN ACT

1 Amending the act of June 23, 1931 (P.L.932, No.317), entitled
2 "An act relating to cities of the third class; and amending,
3 revising, and consolidating the law relating thereto,"
4 further regulating contracts as to purchasing and advertising
5 requirements.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Section 1901(a), (b) and (d) of the act of June
9 23, 1931 (P.L.932, No.317), known as The Third Class City Code,
10 reenacted and amended June 28, 1951 (P.L.662, No.164), amended
11 March 25, 1988 (P.L.289, No.32) and July 11, 1996 (P.L.647, No.
12 109), is amended to read:

13 Section 1901. Power to Make Contracts; Regulations
14 Concerning Contracts.--(a) Each city may make contracts for
15 carrying into execution the provisions of this act and the laws
16 of the Commonwealth. The council shall, by ordinance, provide
17 for and regulate the award of all contracts. All contracts or
18 purchases not in excess of [ten] twenty-five thousand dollars,

1 subject to adjustment under section one thousand nine hundred
2 and three point one of this act, shall be by note or memorandum
3 in writing, signed by the officer or employe making the purchase
4 or contract.

5 (b) All services and personal properties required by any
6 city, or any department thereof, where the amount exceeds the
7 sum of [ten] twenty-five thousand dollars, subject to adjustment
8 under section one thousand nine hundred and three point one of
9 this act, shall be furnished and performed under written
10 contract, and the contract shall be awarded and given to the
11 lowest responsible bidder, after advertising two times, each
12 publication on a different day, in not more than two newspapers,
13 in accord with the provisions of section one hundred and nine of
14 this act, and the bids shall not be opened until at least ten
15 days have elapsed after the first advertisement. A notice of the
16 advertisement for contracts or purchases shall also be posted at
17 the city hall.

18 * * *

19 (d) The contracts or purchases made by council involving an
20 expenditure of over [ten] twenty-five thousand dollars, subject
21 to adjustment under section one thousand nine hundred and three
22 point one of this act, which shall not require advertising or
23 bidding, as hereinbefore provided are as follows:

24 (1) Those for maintenance, repairs or replacements for
25 water, electric light or other public works of the city,
26 provided they do not constitute new additions, extensions or
27 enlargements of existing facilities and equipment, but a bond
28 may be required by council as in other cases of work done.

29 (2) Those made for improvements, repairs and maintenance of
30 any kind made or provided by any city through its own employes:

1 Provided, however, That this shall not apply to construction
2 materials used in a street improvement.

3 (3) Those where particular types, models or pieces of new
4 equipment, articles, apparatus, appliances, vehicles, or parts
5 thereof, are desired by council, which are patented and
6 manufactured or copyrighted products.

7 (4) Those involving any policies of insurance or surety
8 company bonds; those made for public utility service under
9 tariffs on file with the Pennsylvania Public Utility Commission;
10 those made with another political subdivision or a county, the
11 Commonwealth of Pennsylvania, the Federal government, any agency
12 of the Commonwealth or the Federal government, or any municipal
13 authority, including the sale, leasing or loan of any supplies
14 or materials by the Commonwealth or the Federal government, or
15 their agencies, but the price thereof shall not be in excess of
16 that fixed by the Commonwealth, the Federal government, or their
17 agencies.

18 (5) Those involving personal or professional services.

19 (6) Those made during a state of emergency declared by the
20 mayor or chief executive in accord with section one thousand two
21 hundred and three of this act.

22 * * *

23 Section 2. Section 1902 of the act, amended March 25, 1988
24 (P.L.289, No.32), is amended to read:

25 Section 1902. Evasion of Advertising Requirements.--No
26 member or members of council shall evade the provisions of the
27 preceding section as to advertising for bids by purchasing or
28 contracting for services and personal properties piecemeal for
29 the purpose of obtaining prices under [ten] twenty-five thousand
30 dollars, subject to adjustment under section one thousand nine

1 hundred and three point one of this act, upon transactions which
2 should, in the exercise of reasonable discretion and prudence,
3 be conducted as one transaction amounting to more than [ten]
4 twenty-five thousand dollars, subject to adjustment under
5 section one thousand nine hundred and three point one of this
6 act. This provision is intended to make unlawful the practice of
7 evading advertising requirements by making a series of purchases
8 or contracts, each for less than the advertising requirement
9 price, or by making several simultaneous purchases or contracts,
10 each below said price, when, in either case, the transactions
11 involved should have been made as one transaction for one price.
12 Any members of council who so vote in violation of this
13 provision and who know that the transaction upon which they so
14 vote is or ought to be a part of a larger transaction and that
15 it is being divided in order to evade the requirements as to
16 advertising for bids, shall be jointly and severally subject to
17 surcharge for ten per centum of the full amount of the contract
18 or purchase. Wherever it shall appear that a member of council
19 may have voted in violation of this section but the purchase or
20 contract on which he so voted was not approved by council, this
21 section shall be inapplicable.

22 Section 3. The act is amended by adding a section to read:

23 Section 1903.1. Adjustments Based on Consumer Price Index
24 for All Urban Consumers.--(a) Every five years, beginning with
25 the year in which this subsection becomes applicable to
26 contracts and purchases, the Department of Labor and Industry
27 shall calculate the average percentage change in the Consumer
28 Price Index for All Urban Consumers (CPI-U) for the United
29 States city average for all items as published by the United
30 States Department of Labor, Bureau of Labor Statistics, for the

1 preceding five years.

2 (b) The amounts at which competitive bidding and separate
3 bids are required under this act shall be adjusted every five
4 years. The positive percentage change, as determined in
5 accordance with subsection (a), shall be multiplied by the
6 applicable amount for the current five-year period and the
7 product thereof shall be added to the applicable amount for the
8 current five-year period, with the result rounded to the nearest
9 multiple of one hundred.

10 (c) The determination required under subsection (a) and the
11 calculation of the adjustments required under subsection (b)
12 shall be made in the period between October 1 and November 15 of
13 the year following the effective date of this section, and
14 between October 1 and November 15 of each successive year.

15 (d) The adjusted amounts obtained in accordance with
16 subsection (b) shall become effective January 1 for the five-
17 year period following the year in which the determination
18 required under subsection (a) is made.

19 (e) The Department of Labor and Industry shall give notice
20 in the Pennsylvania Bulletin prior to January 1 of each calendar
21 year in which the percentage change determined in accordance
22 with subsection (a) and the amounts, whether adjusted or
23 unadjusted in accordance with subsection (b), at which
24 competitive bidding, advertising and separate bids are required
25 under this act for the five-year period beginning the first day
26 of January after publication of the notice.

27 Section 4. Section 1909 of the act, amended March 25, 1988
28 (P.L.289, No.32), is amended to read:

29 Section 1909. Separate Bids for Plumbing, Heating,
30 Ventilating and Electrical Work, Elevators and Moving Stairs.--

1 In the preparation of specifications for the erection,
2 construction, and alteration of any public building, when the
3 entire cost of such work shall exceed [ten] twenty-five thousand
4 dollars, subject to adjustment under section one thousand nine
5 hundred and three point one of this act, the architect,
6 engineer, or other person preparing such specifications, shall
7 prepare only the following separate specifications; (1)
8 plumbing, (2) heating, (3) ventilating, (4) electrical work, (5)
9 elevators and moving stairs, and (6) one complete set of
10 specifications for all the other work to be done in such
11 erection, construction and alteration. The person or persons
12 authorized to enter into contracts for the erection,
13 construction, or alteration of such public buildings shall
14 receive separate bids upon each of the said branches of work,
15 and award the contract for the same to the lowest responsible
16 bidder for each of said branches, including the balance of the
17 work in addition to the plumbing, heating, ventilating and
18 electrical work and elevators and moving stairs. Where it is
19 desired to install an air conditioning unit, the heating and
20 ventilating so involved may be regarded as one branch of work
21 having only one set of specifications, and bids may be received
22 and a contract awarded thereon as hereinbefore provided.

23 Section 5. This act shall apply to contracts and purchases
24 advertised on or after January 1 of the year following the
25 effective date of this section.

26 Section 6. This act shall take effect immediately.