

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1372 Session of
1989INTRODUCED BY WAMBACH, HARPER, ANGSTADT, R. C. WRIGHT, TRELLO,
VAN HORNE AND LASHINGER, MAY 1, 1989AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 14, 1989

AN ACT

1 Amending the act of June 5, 1947 (P.L.458, No.208), entitled, as
2 amended, "An act creating as bodies corporate and politic
3 'Parking Authorities' in cities of the first, second, second
4 A and third classes, boroughs, and townships of the first
5 class; prescribing the rights, powers and duties of such
6 authorities; authorizing such authorities to acquire,
7 construct, improve, maintain and operate parking projects, to
8 conduct research of the parking problem, to supervise,
9 operate and administer an efficient coordinated system of on-
10 street parking regulation where so authorized by municipal
11 ordinance or resolution, to establish a permanent coordinated
12 system of off-street parking facilities, and to borrow money
13 and issue bonds for such facilities therefor; providing for
14 the payment of such bonds and prescribing the rights of the
15 holders thereof; conferring the right of eminent domain on
16 such authorities; empowering such authorities to enter into
17 contracts with, and to accept grants from, the Federal
18 Government, State, political subdivisions of the State or any
19 agency thereof; exempting the property and securities of such
20 parking authorities from taxation and conferring exclusive
21 jurisdiction on certain courts over rates for their
22 facilities," increasing the maximum amount for which an
23 authority may contract or purchase without bids; ~~and~~ <—
24 prohibiting evasion of the requirement to advertise for bids; <—
25 AND PROVIDING FOR PURCHASES THAT ARE NOT SUBJECT TO
26 ADVERTISEMENT AND BIDDING.

27 The General Assembly of the Commonwealth of Pennsylvania
28 hereby enacts as follows:

29 Section 1. Section 11(a) and (b) of the act of June 5, 1947

1 (P.L.458, No.208), known as the Parking Authority Law, amended
2 February 5, 1982 (P.L.15, No.7), are amended and the section is
3 amended by adding ~~a subsection~~ SUBSECTIONS to read: <—

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

1 limit the power of the Authority to construct, repair or improve
2 any project or portion thereof, or any addition, betterment or
3 extension thereto directed by the officers, agents and employes
4 of the Authority or otherwise than by contract.

5 (b) All supplies and materials costing [four thousand
6 dollars (\$4,000)] ten thousand dollars (\$10,000) or more shall
7 be purchased only after due advertisement as hereinafter
8 provided. Authority shall accept the lowest bid or bids, kind,
9 quality and material being equal, but the Authority shall have
10 the right to reject any or all bids or select a single item from
11 any bid. The provisions as to bidding shall not apply to the
12 purchase of patented and manufactured products offered for sale
13 in a noncompetitive market, or solely by a manufacturer's
14 authorized dealer.

15 (b.1) An authority shall not evade the provisions of
16 subsection (a) or (b) as to advertising for bids by purchasing
17 materials or contracting for services piecemeal for the purpose
18 of obtaining prices under ten thousand dollars (\$10,000) upon
19 transactions which should, in the exercise of reasonable
20 discretion and prudence, be conducted as one transaction
21 amounting to more than ten thousand dollars (\$10,000). This
22 provision is intended to make unlawful the practice of evading
23 advertising requirements by making a series of purchases or
24 contracts, each for less than the advertising requirement price,
25 or by making several simultaneous purchases or contracts, each
26 below said price, when, in either case, the transactions
27 involved should have been made as one transaction for one price.

28 (B.2) WRITTEN OR TELEPHONIC PRICE QUOTATIONS FROM AT LEAST
29 THREE QUALIFIED AND RESPONSIBLE VENDORS SHALL BE OBTAINED FOR
30 ALL PURCHASES UNDER TEN THOUSAND (\$10,000) DOLLARS, OR IN LIEU

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1 OF PRICE QUOTATIONS, A MEMORANDUM SHALL BE KEPT ON FILE SHOWING
2 THAT FEWER THAN THREE QUALIFIED VENDORS SO QUALIFIED EXIST IN
3 THE MARKET AREA WITHIN WHICH IT IS PRACTICABLE TO OBTAIN
4 QUOTATIONS. A WRITTEN RECORD OF TELEPHONIC PRICE QUOTATIONS
5 SHALL BE MADE AND SHALL CONTAIN AT LEAST THE DATE OF THE
6 QUOTATION, THE NAME OF THE VENDOR AND THE VENDOR'S
7 REPRESENTATIVE, THE ITEM WHICH WAS THE SUBJECT OF THE QUOTATION
8 AND THE PRICE OF THE ITEM. WRITTEN PRICE QUOTATIONS, WRITTEN
9 RECORDS OF TELEPHONIC PRICE QUOTATIONS AND MEMORANDA SHALL BE
10 RETAINED FOR A PERIOD OF THREE YEARS.

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