THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 282

Session of 2011

INTRODUCED BY M. K. KELLER, AUMENT, BAKER, BEAR, BENNINGHOFF, BLOOM, BOBACK, BOYD, BROOKS, CAUSER, CHRISTIANA, CLYMER, COX, CREIGHTON, CUTLER, DELOZIER, DENLINGER, ELLIS, EVERETT, FARRY, FLECK, GABLER, GEIST, GILLESPIE, GINGRICH, GRELL, GROVE, HALUSKA, HARHART, HARPER, HARRIS, HELM, HENNESSEY, HESS, HICKERNELL, KAUFFMAN, KILLION, KNOWLES, MAJOR, MARSHALL, MARSICO, MASSER, METCALFE, MILLARD, MILLER, MOUL, OBERLANDER, O'NEILL, PAYNE, PEIFER, PERRY, PICKETT, PYLE, QUIGLEY, QUINN, RAPP, REED, REICHLEY, ROAE, ROCK, ROSS, SAYLOR, SCAVELLO, CULVER, SCHRODER, SIMMONS, SONNEY, STERN, STEVENSON, SWANGER, TALLMAN, TOBASH, TRUITT, TURZAI, VEREB, VULAKOVICH, WATSON AND F. KELLER, JANUARY 27, 2011

SENATOR EICHELBERGER, LOCAL GOVERNMENT, IN SENATE, AS AMENDED, SEPTEMBER 27, 2011

AN ACT

Amending the act of May 27, 1953 (P.L.244, No.34), entitled "An act relating to and regulating the contracts of incorporated towns and providing penalties," further providing for regulation of contracts; providing for annual adjustment; further providing for evasion of advertising requirements, for contracts between \$750 and \$10,000 and for separate bids 6 for plumbing, heating, ventilating and electrical work. 8 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: Section 1. Section 2(a) and (d)(2) of the act of May 27, 10 1953 (P.L.244, No.34), entitled "An act relating to and 11 regulating the contracts of incorporated towns and providing penalties," amended July 10, 1990 (P.L.392, No.93) and December 13

14 18, 1996 (P.L.1140, No.17), are amended to read:

- 1 Section 2. Regulation of Contracts. -- (a) All contracts or
- 2 purchases of incorporated towns in excess of [ten thousand-
- 3 dollars the base amount of twenty-five thousand dollars subject-
- 4 to annual adjustment under section 2.1, except those hereinafter
- 5 mentioned, shall not be made except with and from the lowest
- 6 responsible bidder, after due notice in one newspaper of general-
- 7 circulation published or circulated in the county in which the
- 8 town is situated at least three times at intervals of not less-
- 9 than three days where daily newspapers of general circulation
- 10 are available for such publication, and in case of weekly-
- 11 newspapers shall be published once a week for two successive
- 12 weeks. The first advertisement shall be published not less than
- 13 ten days prior to the date fixed for the opening of bids. The
- 14 amount of the contract shall in all cases, whether of straight-
- 15 sale price, conditional sale, bailment lease or otherwise, be-
- 16 the entire amount which the town pays to the successful bidder
- 17 or his assigns in order to obtain the services or property or
- 18 both, and shall not be construed to mean only the amount which
- 19 is paid to acquire title or to receive any other particular-
- 20 benefit or benefits of the whole bargain.
- 21 SECTION 1. SECTION 2(A) AND (D)(2) OF THE ACT OF MAY 27,
- 22 1953 (P.L.244, NO.34), ENTITLED "AN ACT RELATING TO AND
- 23 REGULATING THE CONTRACTS OF INCORPORATED TOWNS AND PROVIDING
- 24 PENALTIES," AMENDED JULY 10, 1990 (P.L.392, NO.93) AND DECEMBER
- 25 18, 1996 (P.L.1140, NO.170), ARE AMENDED TO READ:
- 26 SECTION 2. REGULATION OF CONTRACTS.--(A) ALL CONTRACTS OR
- 27 PURCHASES OF INCORPORATED TOWNS IN EXCESS OF [TEN THOUSAND
- 28 DOLLARS] THE BASE AMOUNT OF EIGHTEEN THOUSAND FIVE HUNDRED
- 29 DOLLARS SUBJECT TO ADJUSTMENT UNDER SECTION 2.1, EXCEPT THOSE
- 30 HEREINAFTER MENTIONED, SHALL NOT BE MADE EXCEPT WITH AND FROM

- 1 THE LOWEST RESPONSIBLE BIDDER, AFTER DUE NOTICE IN ONE NEWSPAPER
- 2 OF GENERAL CIRCULATION PUBLISHED OR CIRCULATED IN THE COUNTY IN
- 3 WHICH THE TOWN IS SITUATED AT LEAST THREE TIMES AT INTERVALS OF
- 4 NOT LESS THAN THREE DAYS WHERE DAILY NEWSPAPERS OF GENERAL
- 5 CIRCULATION ARE AVAILABLE FOR SUCH PUBLICATION, AND IN CASE OF
- 6 WEEKLY NEWSPAPERS SHALL BE PUBLISHED ONCE A WEEK FOR TWO
- 7 SUCCESSIVE WEEKS. THE FIRST ADVERTISEMENT SHALL BE PUBLISHED NOT
- 8 LESS THAN TEN DAYS PRIOR TO THE DATE FIXED FOR THE OPENING OF
- 9 BIDS. THE AMOUNT OF THE CONTRACT SHALL IN ALL CASES, WHETHER OF
- 10 STRAIGHT SALE PRICE, CONDITIONAL SALE, BAILMENT LEASE OR
- 11 OTHERWISE, BE THE ENTIRE AMOUNT WHICH THE TOWN PAYS TO THE
- 12 SUCCESSFUL BIDDER OR HIS ASSIGNS IN ORDER TO OBTAIN THE SERVICES
- 13 OR PROPERTY OR BOTH, AND SHALL NOT BE CONSTRUED TO MEAN ONLY THE
- 14 AMOUNT WHICH IS PAID TO ACQUIRE TITLE OR TO RECEIVE ANY OTHER
- 15 PARTICULAR BENEFIT OR BENEFITS OF THE WHOLE BARGAIN.
- 16 * * *
- 17 (d) The contracts or purchases made by council, which shall
- 18 not require advertising, bidding or price quotations as
- 19 hereinbefore provided, are as follows:
- 20 * * *
- 21 (2) Those made for improvements, repairs and maintenance of
- 22 any kind made or provided by any incorporated town through its
- 23 own employes: Provided, That all materials used for street
- 24 improvement, maintenance and/or construction in excess of [four]
- 25 A BASE AMOUNT OF ten thousand dollars be subject to the relevant

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- 26 price quotation or advertising requirements contained herein and
- 27 <u>to annual adjustment under section 2.1</u>.
- 28 * * *
- 29 Section 2. The act is amended by adding a section to read:
- 30 <u>Section 2.1. Annual Adjustment.</u>

1 Adjustments to the base amounts specified under sections 2 2(a) and (d)(2), 3(a), 3.1(b) and 5 shall be made as follows: 3 (1) The Department of Labor and Industry shall determine the percentage change in the All Items Consumer Price Index for All 4 5 Urban Consumers (CPI U) for the United States City Average as published by the United States Department of Labor, Bureau of 6 7 Labor Statistics for the twelve month period ending September 30 8 of the calendar year in which this section becomes effective, and for each successive twelve-month period thereafter. 10 (2) If the department determines that there is no positive percentage change, then no adjustment to the base amounts shall 11 occur for the relevant time period provided for in this section. 12 13 (3) (i) If the department determines that there is a positive percentage change in the first year that the 14 determination is made under paragraph (1), the positive 15 percentage change shall be multiplied by each base amount and 16 17 the products shall be added to the base amounts, respectively, 18 and the sums shall be preliminary adjusted amounts. 19 (ii) The preliminary adjusted amounts shall be rounded to the nearest one thousand dollars, to determine the final 20 adjusted base amounts for purposes of sections 2(a) and (d)(2), 21 3(a), 3.1(b) and 5. 22 (4) In each successive year in which there is a positive 23 percentage change in the CPI U for the United States City 24 25 Average, the positive percentage change shall be multiplied by 26 the most recent preliminary adjusted amounts and the products 27 shall be added to the most recent preliminary adjusted amounts,

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respectively. The sums thereof shall be rounded to the nearest

one thousand dollars to determine the new final adjusted base

amounts for purposes of sections 2(a) and (d)(2), 3(a), 3.1(b)

- 1 <u>and 5.</u>
- 2 (5) The determinations and adjustments required under this
- 3 section_shall be made in the period between October 1 and
- 4 November 15 of the year following the effective date of this
- 5 section, and annually between October 1 and November 15 of each
- 6 year thereafter.
- 7 (6) The final adjusted base amounts and new final adjusted
- 8 base amounts obtained under paragraphs (3) and (4) shall become
- 9 effective January 1 for the calendar year following the year in
- 10 which the determination required under paragraph (1) is made.
- 11 (7) The department shall publish notice in the Pennsylvania
- 12 Bulletin prior to January 1 of each calendar year of the annual
- 13 percentage change determined under paragraph (1) and the
- 14 <u>unadjusted or final adjusted base amounts determined under</u>
- 15 paragraphs (3) and (4) for purposes of sections 2(a) and (d)(2),
- 16 3(a), 3.1(b) and 5 for the calendar year beginning the first day
- 17 of January after publication of the notice. The notice shall
- 18 include a written and illustrative explanation of the
- 19 calculations performed by the department in establishing the
- 20 unadjusted or final adjusted base amounts under this section for
- 21 the ensuing calendar year.
- Section 3. Section 3 of the act, amended July 10, 1990
- 23 (P.L.392, No.93), is amended to read:
- 24 Section 3. Evasion of Advertising Requirements. (a) No-
- 25 member or members of council shall evade the provisions of
- 26 Section two hereof by purchasing or contracting for services and
- 27 personal properties piecemeal for the purpose of obtaining
- 28 prices under [ten thousand dollars] the base amount of twenty-
- 29 <u>five thousand dollars subject to annual adjustment under section</u>
- 30 2.1 upon transactions which transaction should, in the exercise

- 1 of reasonable discretion and prudence, be conducted as one-
- 2 transaction amounting to more than [ten thousand dollars] the
- 3 base amount of twenty five thousand dollars subject to annual
- 4 <u>adjustment under section 2.1</u>. This provision is intended to make-
- 5 unlawful the evading of advertising requirements by making a
- 6 series of purchases or contracts each for less than the
- 7 advertising requirement of price, or by making several-
- 8 simultaneous purchases or contracts each below said price, when,
- 9 in either case, the transactions involved should have been made-
- 10 as one transaction for one price. Any members of council who so-
- 11 vote in violation of this provision and who know that the
- 12 transaction upon which they so vote is or ought to be a part of
- 13 a larger transaction and that it is being divided in order to
- 14 evade the requirements as to advertising for bids shall be-
- 15 jointly and severally subject to surcharge for ten per centum of
- 16 the full amount of the contract or purchase.
- 17 (b) Whenever it shall appear that a member of council may
- 18 have voted in violation of this section but the purchase or
- 19 contract on which he so voted was not approved by council, this-
- 20 section shall be inapplicable.
- 21 (c) Any council member who votes to unlawfully evade the
- 22 provisions of section 2 and who knows that the transaction upon-
- 23 which he so votes is or ought to be a part of a larger
- 24 transaction and that it is being divided in order to evade the
- 25 requirements as to advertising for bids commits a misdemeanor of
- 26 the third degree for each contract entered into as a direct-
- 27 result of that vote. This penalty shall be in addition to any
- 28 surcharge which may be assessed pursuant to subsection (a).
- Section 4. Section 3.1 of the act, amended July 10, 1990
- 30 (P.L.392, No.93) and repealed in part December 18, 1996

- 1 (P.L.1140, No.170), is amended to read:
- 2 Section 3.1. Contracts between Seven Hundred Fifty Dollars
- 3 and [Ten thousand] Twenty-five Thousand Dollars; Written Bids. --
- 4 (b) Written or telephonic price quotations from at least-
- 5 three qualified and responsible contractors shall be requested
- 6 for all contracts that [exceed four thousand dollars] are in
- 7 excess of the base amount of ten thousand dollars subject to
- 8 annual adjustment under section 2.1 but are less than the amount
- 9 requiring advertisement and competitive bidding or, in lieu of
- 10 price quotations, a memorandum shall be kept on file showing
- 11 that fewer than three qualified contractors exist in the market-
- 12 area within which it is practicable to obtain quotations. A
- 13 written record of telephonic price quotations shall be made and
- 14 shall contain at least the date of the quotation, the name of
- 15 the contractor and the contractor's representative, the
- 16 construction, reconstruction, repair, maintenance or work which
- 17 was the subject of the quotation and the price. Written price
- 18 quotations, written records of telephonic price quotations and
- 19 memoranda shall be retained for a period of three years.
- Section 5. Section 5 of the act, amended July 10, 1990
- 21 (P.L.392, No.93), is amended to read:
- 22 Section 5. Separate Bids for Plumbing, Heating, Ventilating
- 23 and Electrical Work. -- In the preparation for the erection, --
- 24 construction and alteration of any public building of an
- 25 incorporated town, when the entire cost of such work shall
- 26 [exceed ten thousand dollars] be in excess of the base amount of
- 27 <u>twenty-five thousand dollars subject to annual adjustment under</u>
- 28 <u>section 2.1</u>, the architect, engineer or other person preparing
- 29 such specifications shall prepare separate specifications for
- 30 the plumbing, heating, ventilating and electrical work. The-

- 1 person or persons authorized to enter into contracts for the
- 2 erection, construction or alteration of such public buildings
- 3 shall receive separate bids upon each of the said branches of
- 4 work and award the contract for the same to the lowest
- 5 responsible bidder for each of said branches.
- 6 Section 6. This act shall apply to contracts and purchases
- 7 advertised on or after January 1 of the year following the
- 8 effective date of this section.
- 9 Section 7. This act shall take effect immediately.
- 10 SECTION 2. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
- 11 SECTION 2.1. ADJUSTMENT.--ADJUSTMENTS TO THE BASE AMOUNTS
- 12 SPECIFIED UNDER SECTION 2 SHALL BE MADE AS FOLLOWS:
- 13 (1) THE DEPARTMENT OF LABOR AND INDUSTRY SHALL DETERMINE THE
- 14 PERCENTAGE CHANGE IN THE ALL ITEMS CONSUMER PRICE INDEX FOR ALL
- 15 URBAN CONSUMERS (CPI-U) FOR THE UNITED STATES CITY AVERAGE AS
- 16 PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF
- 17 LABOR STATISTICS FOR THE TWELVE-MONTH PERIOD ENDING SEPTEMBER
- 18 30, 2012, AND FOR EACH SUCCESSIVE TWELVE-MONTH PERIOD
- 19 THEREAFTER.
- 20 (2) IF THE DEPARTMENT DETERMINES THAT THERE IS NO POSITIVE
- 21 PERCENTAGE CHANGE, THEN NO ADJUSTMENT TO THE BASE AMOUNTS SHALL
- 22 OCCUR FOR THE RELEVANT TIME PERIOD PROVIDED FOR IN THIS SECTION.
- 23 (3) (I) IF THE DEPARTMENT DETERMINES THAT THERE IS A
- 24 POSITIVE PERCENTAGE CHANGE IN THE FIRST YEAR THAT THE
- 25 <u>DETERMINATION IS MADE UNDER PARAGRAPH (1), THE POSITIVE</u>
- 26 PERCENTAGE CHANGE SHALL BE MULTIPLIED BY EACH BASE AMOUNT AND
- 27 THE PRODUCTS SHALL BE ADDED TO THE BASE AMOUNTS, RESPECTIVELY,
- 28 AND THE SUMS SHALL BE PRELIMINARY ADJUSTED AMOUNTS.
- 29 (II) THE PRELIMINARY ADJUSTED AMOUNTS SHALL BE ROUNDED TO
- 30 THE NEAREST ONE HUNDRED DOLLARS, TO DETERMINE THE FINAL ADJUSTED

- 1 BASE AMOUNTS FOR PURPOSES OF SECTION 2.
- 2 <u>(4) IN EACH SUCCESSIVE YEAR IN WHICH THERE IS A POSITIVE</u>
- 3 PERCENTAGE CHANGE IN THE CPI-U FOR THE UNITED STATES CITY
- 4 AVERAGE, THE POSITIVE PERCENTAGE CHANGE SHALL BE MULTIPLIED BY
- 5 THE MOST RECENT PRELIMINARY ADJUSTED AMOUNTS AND THE PRODUCTS
- 6 SHALL BE ADDED TO THE PRELIMINARY ADJUSTED AMOUNT OF THE PRIOR
- 7 YEAR TO CALCULATE THE PRELIMINARY ADJUSTED AMOUNTS FOR THE
- 8 CURRENT YEAR. THE SUMS THEREOF SHALL BE ROUNDED TO THE NEAREST
- 9 <u>ONE HUNDRED DOLLARS TO DETERMINE THE NEW FINAL ADJUSTED BASE</u>
- 10 AMOUNTS FOR PURPOSES OF SECTION 2.
- 11 (5) THE DETERMINATIONS AND ADJUSTMENTS REQUIRED UNDER THIS
- 12 SECTION SHALL BE MADE IN THE PERIOD BETWEEN OCTOBER 1 AND
- 13 NOVEMBER 15 OF THE YEAR FOLLOWING THE EFFECTIVE DATE OF THIS
- 14 SECTION, AND ANNUALLY BETWEEN OCTOBER 1 AND NOVEMBER 15 OF EACH
- 15 YEAR THEREAFTER.
- 16 (6) THE FINAL ADJUSTED BASE AMOUNTS AND NEW FINAL ADJUSTED
- 17 BASE AMOUNTS OBTAINED UNDER PARAGRAPHS (3) AND (4) SHALL BECOME
- 18 EFFECTIVE JANUARY 1 FOR THE CALENDAR YEAR FOLLOWING THE YEAR IN
- 19 WHICH THE DETERMINATION REQUIRED UNDER PARAGRAPH (1) IS MADE.
- 20 (7) THE DEPARTMENT SHALL PUBLISH NOTICE IN THE PENNSYLVANIA
- 21 BULLETIN PRIOR TO JANUARY 1 OF EACH CALENDAR YEAR OF THE ANNUAL
- 22 PERCENTAGE CHANGE DETERMINED UNDER PARAGRAPH (1) AND THE
- 23 UNADJUSTED OR FINAL ADJUSTED BASE AMOUNTS DETERMINED UNDER
- 24 PARAGRAPHS (3) AND (4) AT WHICH COMPETITIVE BIDDING AND WRITTEN
- 25 OR TELEPHONIC PRICE OUOTATIONS ARE REQUIRED UNDER SECTION 2,
- 26 RESPECTIVELY, FOR THE CALENDAR YEAR BEGINNING THE FIRST DAY OF
- 27 JANUARY AFTER PUBLICATION OF THE NOTICE. THE NOTICE SHALL
- 28 INCLUDE A WRITTEN AND ILLUSTRATIVE EXPLANATION OF THE
- 29 CALCULATIONS PERFORMED BY THE DEPARTMENT IN ESTABLISHING THE
- 30 UNADJUSTED OR FINAL ADJUSTED BASE AMOUNTS UNDER THIS SECTION FOR

- 1 THE ENSUING CALENDAR YEAR.
- 2 (8) THE ANNUAL INCREASE IN THE PRELIMINARY ADJUSTED BASE
- 3 AMOUNTS OBTAINED UNDER PARAGRAPHS (3) AND (4) SHALL NOT EXCEED
- 4 THREE PER CENTUM.
- 5 SECTION 3. SECTION 3 OF THE ACT, AMENDED JULY 10, 1990
- 6 (P.L.392, NO.93), IS AMENDED TO READ:
- 7 SECTION 3. EVASION OF ADVERTISING REQUIREMENTS.--(A) NO
- 8 MEMBER OR MEMBERS OF COUNCIL SHALL EVADE THE PROVISIONS OF
- 9 [SECTION TWO HEREOF] <u>SECTION 2</u> BY PURCHASING OR CONTRACTING FOR
- 10 SERVICES AND PERSONAL PROPERTIES PIECEMEAL FOR THE PURPOSE OF
- 11 OBTAINING PRICES UNDER [TEN THOUSAND DOLLARS] THE BASE AMOUNT OF
- 12 EIGHTEEN THOUSAND FIVE HUNDRED DOLLARS SUBJECT TO ADJUSTMENT
- 13 UNDER SECTION 2.1 UPON TRANSACTIONS WHICH TRANSACTION SHOULD, IN
- 14 THE EXERCISE OF REASONABLE DISCRETION AND PRUDENCE, BE CONDUCTED
- 15 AS ONE TRANSACTION AMOUNTING TO A BASE AMOUNT OF MORE THAN [TEN
- 16 THOUSAND DOLLARS] EIGHTEEN THOUSAND FIVE HUNDRED DOLLARS SUBJECT
- 17 TO ADJUSTMENT UNDER SECTION 2.1. THIS PROVISION IS INTENDED TO
- 18 MAKE UNLAWFUL THE EVADING OF ADVERTISING REQUIREMENTS BY MAKING
- 19 A SERIES OF PURCHASES OR CONTRACTS EACH FOR LESS THAN THE
- 20 ADVERTISING REQUIREMENT OF PRICE, OR BY MAKING SEVERAL
- 21 SIMULTANEOUS PURCHASES OR CONTRACTS EACH BELOW SAID PRICE, WHEN,
- 22 IN EITHER CASE, THE TRANSACTIONS INVOLVED SHOULD HAVE BEEN MADE
- 23 AS ONE TRANSACTION FOR ONE PRICE. ANY MEMBERS OF COUNCIL WHO SO
- 24 VOTE IN VIOLATION OF THIS PROVISION AND WHO KNOW THAT THE
- 25 TRANSACTION UPON WHICH THEY SO VOTE IS OR OUGHT TO BE A PART OF
- 26 A LARGER TRANSACTION AND THAT IT IS BEING DIVIDED IN ORDER TO
- 27 EVADE THE REQUIREMENTS AS TO ADVERTISING FOR BIDS SHALL BE
- 28 JOINTLY AND SEVERALLY SUBJECT TO SURCHARGE FOR TEN PER CENTUM OF
- 29 THE FULL AMOUNT OF THE CONTRACT OR PURCHASE.
- 30 (B) WHENEVER IT SHALL APPEAR THAT A MEMBER OF COUNCIL MAY

- 1 HAVE VOTED IN VIOLATION OF THIS SECTION BUT THE PURCHASE OR
- 2 CONTRACT ON WHICH HE SO VOTED WAS NOT APPROVED BY COUNCIL, THIS
- 3 SECTION SHALL BE INAPPLICABLE.
- 4 (C) ANY COUNCIL MEMBER WHO VOTES TO UNLAWFULLY EVADE THE
- 5 PROVISIONS OF SECTION 2 AND WHO KNOWS THAT THE TRANSACTION UPON
- 6 WHICH HE SO VOTES IS OR OUGHT TO BE A PART OF A LARGER
- 7 TRANSACTION AND THAT IT IS BEING DIVIDED IN ORDER TO EVADE THE
- 8 REQUIREMENTS AS TO ADVERTISING FOR BIDS COMMITS A MISDEMEANOR OF
- 9 THE THIRD DEGREE FOR EACH CONTRACT ENTERED INTO AS A DIRECT
- 10 RESULT OF THAT VOTE. THIS PENALTY SHALL BE IN ADDITION TO ANY
- 11 SURCHARGE WHICH MAY BE ASSESSED PURSUANT TO SUBSECTION (A).
- 12 SECTION 4. SECTION 3.1 OF THE ACT, AMENDED JULY 10, 1990
- 13 (P.L.392, NO.93) AND REPEALED IN PART DECEMBER 18, 1996 (P.L.
- 14 1140, NO.170), IS AMENDED TO READ:
- 15 SECTION 3.1. [CONTRACTS BETWEEN SEVEN HUNDRED FIFTY DOLLARS
- 16 AND TEN THOUSAND DOLLARS; WRITTEN BIDS.--] WRITTEN OR TELEPHONIC
- 17 PRICE QUOTATIONS.--
- 18 (B) WRITTEN OR TELEPHONIC PRICE QUOTATIONS FROM AT LEAST
- 19 THREE QUALIFIED AND RESPONSIBLE CONTRACTORS SHALL BE REQUESTED
- 20 FOR ALL CONTRACTS [THAT EXCEED FOUR THOUSAND DOLLARS] IN EXCESS
- 21 OF THE BASE AMOUNT OF TEN THOUSAND DOLLARS SUBJECT TO ADJUSTMENT
- 22 UNDER SECTION 2.1 BUT ARE LESS THAN THE AMOUNT REQUIRING
- 23 ADVERTISEMENT AND COMPETITIVE BIDDING OR, IN LIEU OF PRICE
- 24 QUOTATIONS, A MEMORANDUM SHALL BE KEPT ON FILE SHOWING THAT
- 25 FEWER THAN THREE QUALIFIED CONTRACTORS EXIST IN THE MARKET AREA
- 26 WITHIN WHICH IT IS PRACTICABLE TO OBTAIN QUOTATIONS. A WRITTEN
- 27 RECORD OF TELEPHONIC PRICE QUOTATIONS SHALL BE MADE AND SHALL
- 28 CONTAIN AT LEAST THE DATE OF THE QUOTATION, THE NAME OF THE
- 29 CONTRACTOR AND THE CONTRACTOR'S REPRESENTATIVE, THE
- 30 CONSTRUCTION, RECONSTRUCTION, REPAIR, MAINTENANCE OR WORK WHICH

- 1 WAS THE SUBJECT OF THE QUOTATION AND THE PRICE. WRITTEN PRICE
- 2 QUOTATIONS, WRITTEN RECORDS OF TELEPHONIC PRICE QUOTATIONS AND
- 3 MEMORANDA SHALL BE RETAINED FOR A PERIOD OF THREE YEARS.
- 4 SECTION 5. SECTION 5 OF THE ACT, AMENDED JULY 10, 1990 (P.L.
- 5 392, NO.93), IS AMENDED TO READ:
- 6 SECTION 5. SEPARATE BIDS FOR PLUMBING, HEATING, VENTILATING
- 7 AND ELECTRICAL WORK. -- IN THE PREPARATION FOR THE ERECTION,
- 8 CONSTRUCTION AND ALTERATION OF ANY PUBLIC BUILDING OF AN
- 9 INCORPORATED TOWN, WHEN THE ENTIRE COST OF SUCH WORK SHALL
- 10 EXCEED [TEN THOUSAND DOLLARS] A BASE AMOUNT OF EIGHTEEN THOUSAND
- 11 FIVE HUNDRED DOLLARS SUBJECT TO ADJUSTMENT UNDER SECTION 2.1,
- 12 THE ARCHITECT, ENGINEER OR OTHER PERSON PREPARING SUCH
- 13 SPECIFICATIONS SHALL PREPARE SEPARATE SPECIFICATIONS FOR THE
- 14 PLUMBING, HEATING, VENTILATING AND ELECTRICAL WORK. THE PERSON
- 15 OR PERSONS AUTHORIZED TO ENTER INTO CONTRACTS FOR THE ERECTION,
- 16 CONSTRUCTION OR ALTERATION OF SUCH PUBLIC BUILDINGS SHALL
- 17 RECEIVE SEPARATE BIDS UPON EACH OF THE SAID BRANCHES OF WORK AND
- 18 AWARD THE CONTRACT FOR THE SAME TO THE LOWEST RESPONSIBLE BIDDER
- 19 FOR EACH OF SAID BRANCHES.
- 20 SECTION 6. THIS ACT SHALL APPLY TO CONTRACTS AND PURCHASES
- 21 ADVERTISED ON OR AFTER JANUARY 1 OF THE YEAR FOLLOWING THE
- 22 EFFECTIVE DATE OF THIS SECTION.
- 23 SECTION 7. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.