

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2313 Session of
1996

INTRODUCED BY BARLEY, COLAFELLA, BAKER, GEORGE, HERSHEY, GANNON,
GEIST, ZIMMERMAN, SAYLOR, STRITTMATTER, STERN, NICKOL,
RUBLEY, M. N. WRIGHT, STABACK, CORNELL, SCHULER, PETTIT,
S. H. SMITH, CLYMER, TRELLO, ARMSTRONG, STISH, DEMPSEY,
FARGO, LYNCH, WAUGH, RAYMOND, CLARK, BATTISTO, BARD, MERRY
AND SERAFINI, JANUARY 31, 1996

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JANUARY 31, 1996

AN ACT

1 Amending the act of February 1, 1966 (1965 P.L.1656, No.581),
2 entitled "An act concerning boroughs, and revising, amending
3 and consolidating the law relating to boroughs," further
4 providing for contracts.

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

7 Section 1. Section 1402(a) and (c) of the act of February 1,
8 1966 (1965 P.L.1656, No.581), known as The Borough Code, amended
9 June 26, 1995 (P.L.63, No.12), are amended to read:

10 Section 1402. Regulation of Contracts.-- (a) All contracts
11 or purchases in excess of ten thousand dollars (\$10,000), except
12 those hereinafter mentioned, shall not be made except with and
13 from the lowest responsible bidder after due notice in one
14 newspaper of general circulation in the borough, at least two
15 times at intervals of not less than three days where daily
16 newspapers of general circulation are available for such
17 publication, in case of weekly newspapers, such notice once a

1 week for two successive weeks. The first advertisement shall be
2 published not more than forty-five days and the second
3 advertisement not less than ten days prior to the date fixed for
4 the opening of bids. Advertisements for contracts or purchases
5 shall also be posted in a conspicuous place within the borough.
6 Advertisements for contracts and purchases shall contain the
7 date, time and location for opening of bids and shall state the
8 amount of the performance bond determined under subsection (c).
9 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 borough 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
14 the amount which is paid to acquire title or to receive any
15 other particular benefit or benefits of the whole bargain. In
16 awarding contracts, council shall have the right to take into
17 consideration such other factors as the availability, cost and
18 quality of service.

19 * * *

20 (c) The successful bidder when advertising as required
21 herein may, at the discretion of council, be required to furnish
22 a bond with suitable reasonable requirements guaranteeing the
23 work to be done with sufficient surety in [the amount of fifty
24 percent] an amount as determined by council which shall be not
25 less than ten percent nor more than one hundred percent of the
26 amount of the liability under the contract within twenty days
27 after the contract has been awarded, unless council shall
28 prescribe a shorter period of not less than ten days, and upon
29 failure to furnish such bond within such time the previous award
30 shall be void. Deliveries, accomplishment and guarantees may be

1 required in all cases of expenditures.

2 * * *

3 Section 2. This act shall take effect immediately.