

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 750 Session of
1989

INTRODUCED BY STOUT, CORMAN, STEWART, BRIGHTBILL, PUNT, LEMMOND,
PORTERFIELD, MADIGAN, AFFLERBACH, REIBMAN AND PETERSON,
MARCH 23, 1989

REFERRED TO LOCAL GOVERNMENT, MARCH 23, 1989

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," further providing for contract procedures, purchases
15 and advertising for 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 of the act of
19 May 2, 1945 (P.L.382, No.164), known as the Municipality
20 Authorities Act of 1945, amended February 18, 1982 (P.L.86,
21 No.31), are 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

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

29 B. All supplies and materials costing [four thousand dollars
30 (\$4,000)] ten thousand dollars (\$10,000), or more, shall be

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

9 * * *

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