

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 290 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

1 Amending the act of July 28, 1953 (P.L.723, No.230), entitled,
2 as amended, "An act relating to counties of the second class
3 and second class A; amending, revising, consolidating and
4 changing the laws relating thereto," in preliminary
5 provisions, providing for adjustments based on Consumer Price
6 Index relating to contracts and purchases; in contracts,
7 further regulating contracts and purchases; ~~and,~~ in grounds, ←
8 property and buildings, further providing for SEPARATE ←
9 SPECIFICATIONS AND CONTRACTS FOR CERTAIN ITEMS; AND, IN
10 SPORTS AND EXHIBITION AUTHORITY, FURTHER PROVIDING FOR
11 competition in award of contracts.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 ~~Section 1. The act of July 28, 1953 (P.L.723, No.230), known ←~~
15 ~~as the Second Class County Code, is amended by adding a section~~
16 ~~to read:~~

~~Section 112. Adjustments Based on Change in Consumer Price Index. (a) Adjustments to the base amounts specified under sections 2001(a) and (d), 2517(a) and 2511 A(a), (b), (b.1) and (h) shall be made as follows:~~

~~(1) The Department of Labor and Industry shall determine the percentage change in the All Items Consumer Price Index for All Urban Consumers (CPI-U) for the United States City Average as published by the United States Department of Labor, Bureau of Labor Statistics for the twelve month period ending September 30 of the calendar year in which this subsection becomes effective, and for each successive twelve month period thereafter.~~

~~(2) If the department determines that there is no positive percentage change, then no adjustment to the base amounts shall occur for the relevant time period provided for in this subsection.~~

~~(3) (i) If the department determines that there is a positive percentage change in the first year that the determination is made under paragraph (1), the positive percentage change shall be multiplied by each base amount and the products shall be added to the base amounts, respectively, and the sums shall be preliminary adjusted amounts.~~

~~(ii) The preliminary adjusted amounts shall be rounded to the nearest one thousand dollars (\$1,000), to determine the final adjusted base amounts for purposes of sections 2001(a) and (d), 2517(a) and 2511 A(a), (b), (b.1) and (h).~~

~~(4) In each successive year in which there is a positive percentage change in the CPI-U for the United States City Average, the positive percentage change shall be multiplied by the most recent preliminary adjusted amounts and the products shall be added to the most recent preliminary adjusted amounts,~~

~~respectively. The sums thereof shall be rounded to the nearest one thousand dollars (\$1,000) to determine the new final adjusted base amounts for purposes of sections 2001(a) and (d), 2517(a) and 2511 A(a), (b), (b.1) and (h).~~

~~(5) The determinations and adjustments required under this subsection shall be made in the period between October 1 and November 15 of the year following the effective date of this subsection, and annually between October 1 and November 15 of each year thereafter.~~

~~(6) The final adjusted base amounts and new final adjusted base amounts obtained under paragraphs (3) and (4) shall become effective January 1 for the calendar year following the year in which the determination required under paragraph (1) is made.~~

~~(7) The department shall publish notice in the Pennsylvania Bulletin prior to January 1 of each calendar year of the annual percentage change determined under paragraph (1) and the unadjusted or final adjusted base amounts determined under paragraphs (3) and (4) for purposes of sections 2001(a) and (d), 2517(a) and 2511 A(a), (b), (b.1) and (h), respectively, for the calendar year beginning the first day of January after publication of the notice. The notice shall include a written and illustrative explanation of the calculations performed by the department in establishing the unadjusted or final adjusted base amounts under this subsection for the ensuing calendar year.~~

~~(b) (Reserved).~~

~~Section 2. Section 2001(a) and (d) of the act, amended November 30, 2004 (P.L.1439, No.186), are amended to read:~~

~~Section 2001. County Commissioners to Make Contracts. The County Commissioners may make contracts for lawful purposes and~~

~~for the purposes of carrying into execution the provisions of this section and the laws of the Commonwealth.~~

~~(a) Except as provided in subsection (a.1), all contracts or purchases in excess of [ten thousand dollars (\$10,000)] the base amount of twenty five thousand dollars (\$25,000), subject to annual adjustment under section 112, shall be in writing and, except those hereinafter mentioned and except as provided by the act of October 27, 1979 (P.L.241, No.78), entitled "An act authorizing political subdivisions, municipality authorities and transportation authorities to enter into contracts for the purchase of goods and the sale of real and personal property where no bids are received," shall not be made except with and from the lowest responsible and responsive bidder meeting specifications, after due notice in at least one newspaper of general circulation, published or circulating in the county at least two (2) times, at intervals of not less than three (3) days where daily newspapers of general circulation are employed for such publication, or in case weekly newspapers are employed, then the notice shall be published once a week for two (2) successive weeks. The first advertisement shall be published not less than ten (10) days prior to the date fixed for the opening of bids.~~

~~* * *~~

~~(d) The contracts or purchases made by the commissioners involving an expenditure [of over ten thousand dollars (\$10,000)] in the excess of the base amount of twenty five thousand dollars (\$25,000), subject to annual adjustment under section 112, which shall not require advertising or bidding as hereinbefore provided are as follows:~~

~~(1) Those for maintenance, repairs or replacements for~~

~~water, electric light, or other public works: Provided, That they do not constitute new additions, extensions or enlargements of existing facilities and equipment. Security may be required by the county commissioners as in other cases of work done.~~

~~(2) Those made for improvements, repairs and maintenance of any kind made or provided by the county through its own employees. This paragraph shall not apply to construction materials used in a street improvement.~~

~~(3) Those where particular types, models or pieces of new equipment, articles, apparatus, appliances, vehicles or parts thereof are desired by the county commissioners, which are patented and manufactured products or copyrighted products.~~

~~(4) Those involving any policies of insurance or surety company bonds, those made for public utility service and electricity, natural gas or telecommunication services: Provided, That, in the case of utilities not under tariffs on file with the Pennsylvania Public Utility Commission, contracts made without advertising and bidding shall be made only after receiving written or telephonic price quotations from at least three (3) qualified and responsible contractors, or in lieu of price quotations a memorandum shall be kept on file showing that fewer than three (3) qualified contractors exist in the market area within which it is practicable to obtain quotations. A written record of telephonic price quotations shall be made and contain at least the date of the quotation, the name of the contractor and the contractor's representative.~~

~~(5) Those involving personal or professional services, including, but not limited to, services of members of the medical or legal profession, registered architects, engineers, certified public accountants or other personal services~~

~~involving professional expertise.~~

~~(6) Those involving tangible client services provided by nonprofit agencies. For the purposes of this clause, the term "tangible client services" shall mean congregate meals, home delivered meals, transportation and chore services provided through area agencies on aging.~~

~~(6.1) Those involving contracts entered into by nonprofit cooperative hospital service associations for hospitals and nursing homes which are part of the institutional district or which are owned by the county, operated by the county or affiliated with the county by the purchasing of or participating in contracts for materials, supplies and equipment.~~

~~(7) Those involving the purchase of milk.~~

~~(8) Those made with any public body, including, but not limited to, the sale, lease or loan of any supplies or materials to the county by a public body, provided that the price thereof shall not be in excess of that fixed by the public body. The requirements of 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental cooperation) shall not apply when a county purchases cooperatively with another public body which has entered into a contract for supplies or materials. As used in this paragraph, "public body" shall mean any of the following:~~

~~(i) the Federal Government;~~

~~(ii) the Commonwealth of Pennsylvania;~~

~~(iii) any other state;~~

~~(iv) a political subdivision, local or municipal authority or other similar local entity of the Commonwealth or any other state; or~~

~~(v) an agency of the Federal Government, the Commonwealth or any other state.~~

~~(9) Those exclusively involving construction management services.~~

~~(10) Those involving computer software.~~

~~***~~

~~Section 3. Section 2517(a) of the act, amended December 9, 2002 (P.L.1383, No.170), is amended to read:~~

~~Section 2517. Separate Specifications and Contracts for Certain Items. (a) In the preparation of specifications for the erection, construction and alteration of any public building, when the entire cost of such work shall exceed [ten thousand dollars (\$10,000)] the base amount of twenty five thousand dollars (\$25,000), subject to annual adjustment under section 112, the architect, engineer or other person preparing such specifications shall prepare separate specifications for the plumbing, heating, ventilating and electrical work. The board of commissioners shall receive separate bids upon each of the said branches of work and award the contract for the same to the lowest responsible bidder for each of said branches.~~

~~***~~

~~Section 4. Section 2511 A(a), (b), (b.1) and (h) of the act, added October 30, 2000 (P.L.616, No.85), are amended to read:~~

~~Section 2511 A. Competition in Award of Contracts. (a) All construction, reconstruction, repairs or work of any nature made by any Authority, where the entire cost, value or amount of such construction, reconstruction, repairs or work, including labor and materials, shall exceed [ten thousand dollars (\$10,000)] the base amount of twenty five thousand dollars (\$25,000), subject to annual adjustment under section 112, except construction, reconstruction, repairs or work done by employees of said Authority or by labor supplied under agreement with any Federal~~

~~or State agency with supplies and materials purchased, as hereinafter provided, shall be done only under contract or contracts to be entered into by the Authority with the lowest responsible bidder upon proper terms, after due public notice has been given asking for competitive bids hereinafter provided. No contract shall be entered into for construction or improvement or repair of any project or portion thereof unless the contractor shall give an undertaking, with a sufficient surety or sureties approved by the Authority and in an amount fixed by the Authority, for the faithful performance of the contract. All such contracts shall provide, among other things, that the person or corporation entering into such contract with the Authority will pay for all materials furnished and services rendered for the performance of the contract and that any person or corporation furnishing such materials or rendering such services may maintain an action to recover for the same against the obligor in the undertaking as though such person or corporation was named therein, provided the action is brought within one (1) year after the time the cause of action accrued. Nothing in this section shall be construed to limit the power of the Authority to construct, repair or improve any project or portion thereof or any addition, betterment or extension thereto directly by the officers, agents and employees of the Authority or otherwise than by contract.~~

~~(b) All supplies and materials costing [ten thousand dollars (\$10,000)] the base amount of twenty five thousand dollars (\$25,000), subject to annual adjustment under section 112, or more shall be purchased only after due advertisement as hereinafter provided. The Authority shall accept the lowest bid or bids, kinds, quality and material being equal, but the~~

~~Authority shall have the right to reject any or all bids or select a single item from any bid. The provisions as to bidding shall not apply to the purchase of patented and manufactured products offered for sale in a non competitive market or solely by a manufacturer's authorized dealer.~~

~~(b.1) Written or telephonic price quotations from at least three (3) qualified and responsible contractors shall be requested for all contracts that exceed [four thousand dollars (\$4,000)] the base amount of ten thousand dollars (\$10,000), subject to annual adjustment under section 112, but are less than the amount requiring advertisement and competitive bidding, or, in lieu of price quotations, a memorandum shall be kept on file showing that fewer than three (3) qualified contractors exist in the market area within which it is practicable to obtain quotations. A written record of telephonic price quotations shall be made and shall contain at least the date of the quotation, the name of the contractor and the contractor's representative, the construction, reconstruction, repair, maintenance or work which was the subject of the quotation and the price. Written price quotations, written records of telephonic price quotations and memoranda shall be retained for a period of three (3) years.~~

~~* * *~~

~~(h) An Authority shall not evade the provisions of this section as to advertising for bids or purchasing materials or contracting for services piecemeal for the purpose of obtaining prices under [ten thousand dollars (\$10,000)] the base amount of twenty five thousand dollars (\$25,000), subject to annual adjustment under section 112, upon transactions which should, in the exercise of reasonable discretion and prudence, be conducted~~

~~as one transaction amounting to more than [ten thousand dollars
(\$10,000)] the base amount of twenty five thousand dollars
(\$25,000), subject to annual adjustment under section 112. This
provision is intended to make unlawful the practice of evading
advertising requirements by making a series of purchases or
contracts each for less than the advertising requirement price
or by making several simultaneous purchases or contracts each
below said price when in either case the transaction involved
should have been made as one transaction for one price.~~

~~* * *~~

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

~~Section 6. This act shall take effect immediately.~~

SECTION 1. THE ACT OF JULY 28, 1953 (P.L.723, NO.230), KNOWN
AS THE SECOND CLASS COUNTY CODE, IS AMENDED BY ADDING A SECTION
TO READ:

SECTION 112. ADJUSTMENTS BASED ON CONSUMER PRICE INDEX.-- (A)
ADJUSTMENTS TO THE BASE AMOUNTS SHALL BE MADE AS FOLLOWS:

(1) THE DEPARTMENT OF LABOR AND INDUSTRY SHALL DETERMINE THE
PERCENTAGE CHANGE IN THE ALL ITEMS CONSUMER PRICE INDEX FOR ALL
URBAN CONSUMERS (CPI-U) FOR THE UNITED STATES CITY AVERAGE AS
PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF
LABOR STATISTICS FOR THE TWELVE-MONTH PERIOD ENDING SEPTEMBER
30, 2012, AND FOR EACH SUCCESSIVE TWELVE-MONTH PERIOD
THEREAFTER.

(2) IF THE DEPARTMENT DETERMINES THAT THERE IS NO POSITIVE
PERCENTAGE CHANGE, THEN NO ADJUSTMENT TO THE BASE AMOUNTS SHALL
OCCUR FOR THE RELEVANT TIME PERIOD PROVIDED FOR IN THIS
SUBSECTION.

1 (3) (I) IF THE DEPARTMENT DETERMINES THAT THERE IS A
2 POSITIVE PERCENTAGE CHANGE IN THE FIRST YEAR THAT THE
3 DETERMINATION IS MADE UNDER PARAGRAPH (1), THE POSITIVE
4 PERCENTAGE CHANGE SHALL BE MULTIPLIED BY EACH BASE AMOUNT AND
5 THE PRODUCTS SHALL BE ADDED TO THE BASE AMOUNTS, RESPECTIVELY,
6 AND THE SUMS SHALL BE PRELIMINARY ADJUSTED AMOUNTS.

7 (II) THE PRELIMINARY ADJUSTED AMOUNTS SHALL BE ROUNDED TO
8 THE NEAREST ONE HUNDRED DOLLARS (\$100), TO DETERMINE THE FINAL
9 ADJUSTED BASE AMOUNTS.

10 (4) IN EACH SUCCESSIVE YEAR IN WHICH THERE IS A POSITIVE
11 PERCENTAGE CHANGE IN THE CPI-U FOR THE UNITED STATES CITY
12 AVERAGE, THE POSITIVE PERCENTAGE CHANGE SHALL BE MULTIPLIED BY
13 THE MOST RECENT PRELIMINARY ADJUSTED AMOUNTS AND THE PRODUCTS
14 SHALL BE ADDED TO THE PRELIMINARY ADJUSTED AMOUNT OF THE PRIOR
15 YEAR TO CALCULATE THE PRELIMINARY ADJUSTED AMOUNTS FOR THE
16 CURRENT YEAR. THE SUMS THEREOF SHALL BE ROUNDED TO THE NEAREST
17 ONE HUNDRED DOLLARS (\$100) TO DETERMINE THE NEW FINAL ADJUSTED
18 BASE AMOUNTS.

19 (5) THE DETERMINATIONS AND ADJUSTMENTS REQUIRED UNDER THIS
20 SUBSECTION SHALL BE MADE IN THE PERIOD BETWEEN OCTOBER 1 AND
21 NOVEMBER 15 OF THE YEAR FOLLOWING THE EFFECTIVE DATE OF THIS
22 SUBSECTION, AND ANNUALLY BETWEEN OCTOBER 1 AND NOVEMBER 15 OF
23 EACH YEAR THEREAFTER.

24 (6) THE FINAL ADJUSTED BASE AMOUNTS AND NEW FINAL ADJUSTED
25 BASE AMOUNTS OBTAINED UNDER PARAGRAPHS (3) AND (4) SHALL BECOME
26 EFFECTIVE JANUARY 1 FOR THE CALENDAR YEAR FOLLOWING THE YEAR IN
27 WHICH THE DETERMINATION REQUIRED UNDER PARAGRAPH (1) IS MADE.

28 (7) THE DEPARTMENT SHALL PUBLISH NOTICE IN THE PENNSYLVANIA
29 BULLETIN PRIOR TO JANUARY 1 OF EACH CALENDAR YEAR OF THE ANNUAL
30 PERCENTAGE CHANGE DETERMINED UNDER PARAGRAPH (1) AND THE

1 UNADJUSTED OR FINAL ADJUSTED BASE AMOUNTS DETERMINED UNDER
2 PARAGRAPHS (3) AND (4) AT WHICH COMPETITIVE BIDDING OR WRITTEN
3 OR TELEPHONIC PRICE QUOTATIONS ARE REQUIRED FOR THE CALENDAR
4 YEAR BEGINNING THE FIRST DAY OF JANUARY AFTER PUBLICATION OF THE
5 NOTICE. THE NOTICE SHALL INCLUDE A WRITTEN AND ILLUSTRATIVE
6 EXPLANATION OF THE CALCULATIONS PERFORMED BY THE DEPARTMENT IN
7 ESTABLISHING THE UNADJUSTED OR FINAL ADJUSTED BASE AMOUNTS UNDER
8 THIS SUBSECTION FOR THE ENSUING CALENDAR YEAR.

9 (8) THE ANNUAL INCREASE IN THE PRELIMINARY ADJUSTED BASE
10 AMOUNTS OBTAINED UNDER PARAGRAPHS (3) AND (4) SHALL NOT EXCEED
11 THREE PER CENT.

12 SECTION 2. SECTION 2001(A) AND (D) OF THE ACT, AMENDED
13 NOVEMBER 30, 2004 (P.L.1439, NO.186), ARE AMENDED TO READ:

14 SECTION 2001. COUNTY COMMISSIONERS TO MAKE CONTRACTS.--THE
15 COUNTY COMMISSIONERS MAY MAKE CONTRACTS FOR LAWFUL PURPOSES AND
16 FOR THE PURPOSES OF CARRYING INTO EXECUTION THE PROVISIONS OF
17 THIS SECTION AND THE LAWS OF THE COMMONWEALTH.

18 (A) EXCEPT AS PROVIDED IN SUBSECTION (A.1), ALL CONTRACTS OR
19 PURCHASES IN EXCESS OF [TEN THOUSAND DOLLARS (\$10,000)] THE BASE
20 AMOUNT OF EIGHTEEN THOUSAND FIVE HUNDRED DOLLARS (\$18,500),
21 SUBJECT TO ADJUSTMENT UNDER SECTION 112, SHALL BE IN WRITING
22 AND, EXCEPT THOSE HEREINAFTER MENTIONED AND EXCEPT AS PROVIDED
23 BY THE ACT OF OCTOBER 27, 1979 (P.L.241, NO.78), ENTITLED "AN
24 ACT AUTHORIZING POLITICAL SUBDIVISIONS, MUNICIPALITY AUTHORITIES
25 AND TRANSPORTATION AUTHORITIES TO ENTER INTO CONTRACTS FOR THE
26 PURCHASE OF GOODS AND THE SALE OF REAL AND PERSONAL PROPERTY
27 WHERE NO BIDS ARE RECEIVED," SHALL NOT BE MADE EXCEPT WITH AND
28 FROM THE LOWEST RESPONSIBLE AND RESPONSIVE BIDDER MEETING
29 SPECIFICATIONS, AFTER DUE NOTICE IN AT LEAST ONE NEWSPAPER OF
30 GENERAL CIRCULATION, PUBLISHED OR CIRCULATING IN THE COUNTY AT

1 LEAST TWO (2) TIMES, AT INTERVALS OF NOT LESS THAN THREE (3)
2 DAYS WHERE DAILY NEWSPAPERS OF GENERAL CIRCULATION ARE EMPLOYED
3 FOR SUCH PUBLICATION, OR IN CASE WEEKLY NEWSPAPERS ARE EMPLOYED,
4 THEN THE NOTICE SHALL BE PUBLISHED ONCE A WEEK FOR TWO (2)
5 SUCCESSIVE WEEKS. THE FIRST ADVERTISEMENT SHALL BE PUBLISHED NOT
6 LESS THAN TEN (10) DAYS PRIOR TO THE DATE FIXED FOR THE OPENING
7 OF BIDS.

8 * * *

9 (D) THE CONTRACTS OR PURCHASES MADE BY THE COMMISSIONERS
10 INVOLVING AN EXPENDITURE OF OVER [TEN THOUSAND DOLLARS
11 (\$10,000)] THE BASE AMOUNT OF EIGHTEEN THOUSAND FIVE HUNDRED
12 DOLLARS (\$18,500), SUBJECT TO ADJUSTMENT UNDER SECTION 112,
13 WHICH SHALL NOT REQUIRE ADVERTISING OR BIDDING AS HEREINBEFORE
14 PROVIDED ARE AS FOLLOWS:

15 (1) THOSE FOR MAINTENANCE, REPAIRS OR REPLACEMENTS FOR
16 WATER, ELECTRIC LIGHT, OR OTHER PUBLIC WORKS: PROVIDED, THAT
17 THEY DO NOT CONSTITUTE NEW ADDITIONS, EXTENSIONS OR ENLARGEMENTS
18 OF EXISTING FACILITIES AND EQUIPMENT. SECURITY MAY BE REQUIRED
19 BY THE COUNTY COMMISSIONERS AS IN OTHER CASES OF WORK DONE.

20 (2) THOSE MADE FOR IMPROVEMENTS, REPAIRS AND MAINTENANCE OF
21 ANY KIND MADE OR PROVIDED BY THE COUNTY THROUGH ITS OWN
22 EMPLOYEES. THIS PARAGRAPH SHALL NOT APPLY TO CONSTRUCTION
23 MATERIALS USED IN A STREET IMPROVEMENT.

24 (3) THOSE WHERE PARTICULAR TYPES, MODELS OR PIECES OF NEW
25 EQUIPMENT, ARTICLES, APPARATUS, APPLIANCES, VEHICLES OR PARTS
26 THEREOF ARE DESIRED BY THE COUNTY COMMISSIONERS, WHICH ARE
27 PATENTED AND MANUFACTURED PRODUCTS OR COPYRIGHTED PRODUCTS.

28 (4) THOSE INVOLVING ANY POLICIES OF INSURANCE OR SURETY
29 COMPANY BONDS, THOSE MADE FOR PUBLIC UTILITY SERVICE AND
30 ELECTRICITY, NATURAL GAS OR TELECOMMUNICATION SERVICES:

1 PROVIDED, THAT, IN THE CASE OF UTILITIES NOT UNDER TARIFFS ON
2 FILE WITH THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, CONTRACTS
3 MADE WITHOUT ADVERTISING AND BIDDING SHALL BE MADE ONLY AFTER
4 RECEIVING WRITTEN OR TELEPHONIC PRICE QUOTATIONS FROM AT LEAST
5 THREE (3) QUALIFIED AND RESPONSIBLE CONTRACTORS, OR IN LIEU OF
6 PRICE QUOTATIONS A MEMORANDUM SHALL BE KEPT ON FILE SHOWING THAT
7 FEWER THAN THREE (3) QUALIFIED CONTRACTORS EXIST IN THE MARKET
8 AREA WITHIN WHICH IT IS PRACTICABLE TO OBTAIN QUOTATIONS. A
9 WRITTEN RECORD OF TELEPHONIC PRICE QUOTATIONS SHALL BE MADE AND
10 CONTAIN AT LEAST THE DATE OF THE QUOTATION, THE NAME OF THE
11 CONTRACTOR AND THE CONTRACTOR'S REPRESENTATIVE.

12 (5) THOSE INVOLVING PERSONAL OR PROFESSIONAL SERVICES,
13 INCLUDING, BUT NOT LIMITED TO, SERVICES OF MEMBERS OF THE
14 MEDICAL OR LEGAL PROFESSION, REGISTERED ARCHITECTS, ENGINEERS,
15 CERTIFIED PUBLIC ACCOUNTANTS OR OTHER PERSONAL SERVICES
16 INVOLVING PROFESSIONAL EXPERTISE.

17 (6) THOSE INVOLVING TANGIBLE CLIENT SERVICES PROVIDED BY
18 NONPROFIT AGENCIES. FOR THE PURPOSES OF THIS CLAUSE, THE TERM
19 "TANGIBLE CLIENT SERVICES" SHALL MEAN CONGREGATE MEALS, HOME-
20 DELIVERED MEALS, TRANSPORTATION AND CHORE SERVICES PROVIDED
21 THROUGH AREA AGENCIES ON AGING.

22 (6.1) THOSE INVOLVING CONTRACTS ENTERED INTO BY NONPROFIT
23 COOPERATIVE HOSPITAL SERVICE ASSOCIATIONS FOR HOSPITALS AND
24 NURSING HOMES WHICH ARE PART OF THE INSTITUTIONAL DISTRICT OR
25 WHICH ARE OWNED BY THE COUNTY, OPERATED BY THE COUNTY OR
26 AFFILIATED WITH THE COUNTY BY THE PURCHASING OF OR PARTICIPATING
27 IN CONTRACTS FOR MATERIALS, SUPPLIES AND EQUIPMENT.

28 (7) THOSE INVOLVING THE PURCHASE OF MILK.

29 (8) THOSE MADE WITH ANY PUBLIC BODY, INCLUDING, BUT NOT
30 LIMITED TO, THE SALE, LEASE OR LOAN OF ANY SUPPLIES OR MATERIALS

1 TO THE COUNTY BY A PUBLIC BODY, PROVIDED THAT THE PRICE THEREOF
2 SHALL NOT BE IN EXCESS OF THAT FIXED BY THE PUBLIC BODY. THE
3 REQUIREMENTS OF 53 PA.C.S. CH. 23 SUBCH. A (RELATING TO
4 INTERGOVERNMENTAL COOPERATION) SHALL NOT APPLY WHEN A COUNTY
5 PURCHASES COOPERATIVELY WITH ANOTHER PUBLIC BODY WHICH HAS
6 ENTERED INTO A CONTRACT FOR SUPPLIES OR MATERIALS. AS USED IN
7 THIS PARAGRAPH, "PUBLIC BODY" SHALL MEAN ANY OF THE FOLLOWING:

8 (I) THE FEDERAL GOVERNMENT;

9 (II) THE COMMONWEALTH OF PENNSYLVANIA;

10 (III) ANY OTHER STATE;

11 (IV) A POLITICAL SUBDIVISION, LOCAL OR MUNICIPAL AUTHORITY
12 OR OTHER SIMILAR LOCAL ENTITY OF THE COMMONWEALTH OR ANY OTHER
13 STATE; OR

14 (V) AN AGENCY OF THE FEDERAL GOVERNMENT, THE COMMONWEALTH OR
15 ANY OTHER STATE.

16 (9) THOSE EXCLUSIVELY INVOLVING CONSTRUCTION MANAGEMENT
17 SERVICES.

18 (10) THOSE INVOLVING COMPUTER SOFTWARE.

19 * * *

20 SECTION 3. SECTION 2517(A) OF THE ACT, AMENDED DECEMBER 9,
21 2002 (P.L.1383, NO.170), IS AMENDED TO READ:

22 SECTION 2517. SEPARATE SPECIFICATIONS AND CONTRACTS FOR
23 CERTAIN ITEMS.--(A) IN THE PREPARATION OF SPECIFICATIONS FOR
24 THE ERECTION, CONSTRUCTION AND ALTERATION OF ANY PUBLIC
25 BUILDING, WHEN THE ENTIRE COST OF SUCH WORK SHALL EXCEED [TEN
26 THOUSAND DOLLARS (\$10,000)] THE BASE AMOUNT OF EIGHTEEN THOUSAND
27 FIVE HUNDRED DOLLARS (\$18,500), SUBJECT TO ADJUSTMENT UNDER
28 SECTION 112, 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 BOARD OF COMMISSIONERS SHALL RECEIVE SEPARATE BIDS UPON EACH OF
2 THE SAID BRANCHES OF WORK AND AWARD THE CONTRACT FOR THE SAME TO
3 THE LOWEST RESPONSIBLE BIDDER FOR EACH OF SAID BRANCHES.

4 * * *

5 SECTION 4. SECTION 2511-A(A), (B), (B.1) AND (H) OF THE ACT,
6 ADDED OCTOBER 30, 2000 (P.L.616, NO.85), ARE AMENDED TO READ:

7 SECTION 2511-A. COMPETITION IN AWARD OF CONTRACTS.--(A) ALL
8 CONSTRUCTION, RECONSTRUCTION, REPAIRS OR WORK OF ANY NATURE MADE
9 BY ANY AUTHORITY, WHERE THE ENTIRE COST, VALUE OR AMOUNT OF SUCH
10 CONSTRUCTION, RECONSTRUCTION, REPAIRS OR WORK, INCLUDING LABOR
11 AND MATERIALS, SHALL EXCEED [TEN THOUSAND DOLLARS (\$10,000)] THE
12 BASE AMOUNT OF EIGHTEEN THOUSAND FIVE HUNDRED DOLLARS (\$18,500),
13 SUBJECT TO ADJUSTMENT UNDER SECTION 112, EXCEPT CONSTRUCTION,
14 RECONSTRUCTION, REPAIRS OR WORK DONE BY EMPLOYES OF SAID
15 AUTHORITY OR BY LABOR SUPPLIED UNDER AGREEMENT WITH ANY FEDERAL
16 OR STATE AGENCY WITH SUPPLIES AND MATERIALS PURCHASED, AS
17 HEREINAFTER PROVIDED, SHALL BE DONE ONLY UNDER CONTRACT OR
18 CONTRACTS TO BE ENTERED INTO BY THE AUTHORITY WITH THE LOWEST
19 RESPONSIBLE BIDDER UPON PROPER TERMS, AFTER DUE PUBLIC NOTICE
20 HAS BEEN GIVEN ASKING FOR COMPETITIVE BIDS HEREINAFTER PROVIDED.
21 NO CONTRACT SHALL BE ENTERED INTO FOR CONSTRUCTION OR
22 IMPROVEMENT OR REPAIR OF ANY PROJECT OR PORTION THEREOF UNLESS
23 THE CONTRACTOR SHALL GIVE AN UNDERTAKING, WITH A SUFFICIENT
24 SURETY OR SURETIES APPROVED BY THE AUTHORITY AND IN AN AMOUNT
25 FIXED BY THE AUTHORITY, FOR THE FAITHFUL PERFORMANCE OF THE
26 CONTRACT. ALL SUCH CONTRACTS SHALL PROVIDE, AMONG OTHER THINGS,
27 THAT THE PERSON OR CORPORATION ENTERING INTO SUCH CONTRACT WITH
28 THE AUTHORITY WILL PAY FOR ALL MATERIALS FURNISHED AND SERVICES
29 RENDERED FOR THE PERFORMANCE OF THE CONTRACT AND THAT ANY PERSON
30 OR CORPORATION FURNISHING SUCH MATERIALS OR RENDERING SUCH

SERVICES MAY MAINTAIN AN ACTION TO RECOVER FOR THE SAME AGAINST THE OBLIGOR IN THE UNDERTAKING AS THOUGH SUCH PERSON OR CORPORATION WAS NAMED THEREIN, PROVIDED THE ACTION IS BROUGHT WITHIN ONE (1) YEAR AFTER THE TIME THE CAUSE OF ACTION ACCRUED. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT THE POWER OF THE AUTHORITY TO CONSTRUCT, REPAIR OR IMPROVE ANY PROJECT OR PORTION THEREOF OR ANY ADDITION, BETTERMENT OR EXTENSION THERETO DIRECTLY BY THE OFFICERS, AGENTS AND EMPLOYES OF THE AUTHORITY OR OTHERWISE THAN BY CONTRACT.

(B) ALL SUPPLIES AND MATERIALS COSTING [TEN THOUSAND DOLLARS (\$10,000)] THE BASE AMOUNT OF EIGHTEEN THOUSAND FIVE HUNDRED DOLLARS (\$18,500), SUBJECT TO ADJUSTMENT UNDER SECTION 112, OR MORE SHALL BE PURCHASED ONLY AFTER DUE ADVERTISEMENT AS HEREINAFTER PROVIDED. THE AUTHORITY SHALL ACCEPT THE LOWEST BID OR BIDS, KINDS, QUALITY AND MATERIAL BEING EQUAL, BUT THE AUTHORITY SHALL HAVE THE RIGHT TO REJECT ANY OR ALL BIDS OR SELECT A SINGLE ITEM FROM ANY BID. THE PROVISIONS AS TO BIDDING SHALL NOT APPLY TO THE PURCHASE OF PATENTED AND MANUFACTURED PRODUCTS OFFERED FOR SALE IN A NON-COMPETITIVE MARKET OR SOLELY BY A MANUFACTURER'S AUTHORIZED DEALER.

(B.1) WRITTEN OR TELEPHONIC PRICE QUOTATIONS FROM AT LEAST THREE (3) QUALIFIED AND RESPONSIBLE CONTRACTORS SHALL BE REQUESTED FOR ALL CONTRACTS THAT EXCEED [FOUR THOUSAND DOLLARS (\$4,000)] THE BASE AMOUNT OF TEN THOUSAND DOLLARS (\$10,000), SUBJECT TO ADJUSTMENT UNDER SECTION 112, BUT ARE LESS THAN THE AMOUNT REQUIRING ADVERTISEMENT AND COMPETITIVE BIDDING, OR, IN LIEU OF PRICE QUOTATIONS, A MEMORANDUM SHALL BE KEPT ON FILE SHOWING THAT FEWER THAN THREE (3) QUALIFIED CONTRACTORS EXIST IN THE MARKET AREA WITHIN WHICH IT IS PRACTICABLE TO OBTAIN QUOTATIONS. A WRITTEN RECORD OF TELEPHONIC PRICE QUOTATIONS

1 SHALL BE MADE AND SHALL CONTAIN AT LEAST THE DATE OF THE
2 QUOTATION, THE NAME OF THE CONTRACTOR AND THE CONTRACTOR'S
3 REPRESENTATIVE, THE CONSTRUCTION, RECONSTRUCTION, REPAIR,
4 MAINTENANCE OR WORK WHICH WAS THE SUBJECT OF THE QUOTATION AND
5 THE PRICE. WRITTEN PRICE QUOTATIONS, WRITTEN RECORDS OF
6 TELEPHONIC PRICE QUOTATIONS AND MEMORANDA SHALL BE RETAINED FOR
7 A PERIOD OF THREE (3) YEARS.

8 * * *

9 (H) AN AUTHORITY SHALL NOT EVADE THE PROVISIONS OF THIS
10 SECTION AS TO ADVERTISING FOR BIDS OR PURCHASING MATERIALS OR
11 CONTRACTING FOR SERVICES PIECEMEAL FOR THE PURPOSE OF OBTAINING
12 PRICES UNDER [TEN THOUSAND DOLLARS (\$10,000)] THE BASE AMOUNT OF
13 EIGHTEEN THOUSAND FIVE HUNDRED DOLLARS (\$18,500), SUBJECT TO
14 ADJUSTMENT UNDER SECTION 112, UPON TRANSACTIONS WHICH SHOULD, IN
15 THE EXERCISE OF REASONABLE DISCRETION AND PRUDENCE, BE CONDUCTED
16 AS ONE TRANSACTION AMOUNTING TO MORE THAN [TEN THOUSAND DOLLARS
17 (\$10,000)] THE BASE AMOUNT OF EIGHTEEN THOUSAND FIVE HUNDRED
18 DOLLARS (\$18,500), SUBJECT TO ADJUSTMENT UNDER SECTION 112. THIS
19 PROVISION IS INTENDED TO MAKE UNLAWFUL THE PRACTICE OF EVADING
20 ADVERTISING REQUIREMENTS BY MAKING A SERIES OF PURCHASES OR
21 CONTRACTS EACH FOR LESS THAN THE ADVERTISING REQUIREMENT PRICE
22 OR BY MAKING SEVERAL SIMULTANEOUS PURCHASES OR CONTRACTS EACH
23 BELOW SAID PRICE WHEN IN EITHER CASE THE TRANSACTION INVOLVED
24 SHOULD HAVE BEEN MADE AS ONE TRANSACTION FOR ONE PRICE.

25 * * *

26 SECTION 5. THIS ACT SHALL APPLY TO CONTRACTS AND PURCHASES
27 ADVERTISED ON OR AFTER JANUARY 1 OF THE YEAR FOLLOWING THE
28 EFFECTIVE DATE OF THIS SECTION.

29 SECTION 6. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.