

No. 1978-244

AN ACT

HB 2360

Amending the act of July 29, 1953 (P.L.1034, No.270), entitled "An act creating as bodies corporate and politic 'Public Auditorium Authorities' in counties of the second class and in cities of the second class, singly or jointly; prescribing the rights, powers and duties of such Authorities; authorizing such Authorities to acquire, construct, improve, maintain and operate public auditoriums; to borrow money and issue bonds therefor; providing for the payment of such bonds and prescribing the rights of the holders thereof; conferring the right of eminent domain on such Authorities; empowering such Authorities to enter into contracts, leases and licenses with and to accept grants from private sources, the Federal Government, State, political subdivisions of the State or any agency thereof; authorizing the making of said grants from bond funds or current revenues; authorizing Authorities to collect rentals, admissions, license fees for the use of the project; exempting the property and securities of such Public Auditorium Authorities from taxation," increasing the amount of supplies and materials which may be purchased without advertising and further regulating contracts.

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

Section 1. Subsections A and B of section 11, act of July 29, 1953 (P.L.1034, No.270), known as the "Public Auditorium Authorities Law," subsection B amended August 17, 1965 (P.L.352, No.186), are amended and the section is amended by adding a subsection to read:

Section 11. 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 [**five hundred dollars (\$500.00)**] *two thousand five hundred dollars (\$2,500.00)*, except construction, reconstruction, repairs or work done by employes 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 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 [**one thousand dollars (\$1,000.00)**] *two thousand five hundred dollars (\$2,500.00)* 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.

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F. Every contract for the construction, reconstruction, alteration, repair, improvement or maintenance of public works shall comply with the provisions of the act of March 3, 1978 (No.3), known as the "Steel Products Procurement Act."

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

APPROVED—The 4th day of October, A. D. 1978.

MILTON J. SHAPP