

TOWNSHIP OF UPPER PROVIDENCE
COUNTY OF DELAWARE
COMMONWEALTH OF PENNSYLVANIA
ORDINANCE No. 553

AN ORDINANCE OF THE TOWNSHIP OF UPPER PROVIDENCE, COUNTY OF DELAWARE, COMMONWEALTH OF PENNSYLVANIA AMENDING CHAPTER 208, OF THE CODE OF THE TOWNSHIP OF UPPER PROVIDENCE TO ESTABLISH THE BIDDING THRESHOLDS FOR TOWNSHIP CONTRACTS

WHEREAS, the Township of Upper Providence is a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, the Legislature of the Commonwealth and the Home Rule Charter vests the Township of Upper Providence with the power and authority to make and adopt all such ordinances, bylaws, rules and regulations not inconsistent with or restrained by the Constitution and laws of this Commonwealth, as is expedient or necessary for the proper management, care and control of, inter alia, the Township's finances, the maintenance of peace, good government, safety and welfare of the Township, its trade, commerce and manufactures; and

WHEREAS, Section 7.07 of the Upper Providence Home Rule Charter requires Township Council to define "major contracts" which are subject to public advertised bidding requirements.

NOW THEREFORE, BE IT ORDAINED, by the Township of Upper Providence Council that:

SECTION 1: Chapter 208, Section 208.01, of the Code of the Township of Upper Providence is hereby **amended** to read as follows:

208.01 Value of major contracts.

The value of a major contract, as provided for and defined in Section 7.07, Contracts, of the Upper Providence Township Home Rule Charter, is a contract having a value equal to or in excess of \$23,200. This amount shall be subject to adjustment as set forth in subsection 3102(b.1) of the Second-Class

Township Code, 53 P.S. § 65101, et seq. The annual adjusted bidding threshold shall be equal to the amount published by the Pennsylvania Department of Labor and Industry based upon the percentage change in the Consumer Price Index for All Urban Consumers. Such adjustments shall go into effect on January 1 of each year.

SECTION 2: Chapter 208, Section 208.02, of the Code of the Township of Upper

Providence is hereby **amended** to read as follows:

208.02 Persons authorized to execute other than major contracts.

For other than major contracts, the persons authorized to execute contracts that are made pursuant to the budget or other prior authorizations are the Township Secretary or a member of the Council. This authorization is applicable only to contracts having a value of less than \$23,200 as adjusted annually pursuant to Section 208.01.

SECTION 3: Chapter 208, Section 208.03, of the Code of the Township of Upper

Providence is hereby **amended** to read as follows:

208.03 Application of Charter to major contracts.

Contracts that are made pursuant to the budget or other prior authorizations and that have a value equal to or in excess of \$23,200, as adjusted annually pursuant to Section 208.01, are major contracts and are subject to all of the provisions of the Home Rule Charter pertaining to major contracts.

SECTION 4: Chapter 208, Section 208.04, of the Code of the Township of Upper

Providence is hereby **amended** to read as follows:

208.04 Competitive bidding; award of contracts.

(a) All contracts for the purchase of materials, equipment and supplies, or for maintenance, repairs or construction, the total cost of which equals or exceeds \$23,200 as adjusted annually pursuant to Section 208.01, except those for which competitive bidding shall not be required in accordance with the Home Rule Charter, Section 7.07F, shall be made to the lowest responsible bidder after receipt of one or more sealed bids in accordance with the procedures set forth in Sections 208.05 through 208.14.

(b) Written or telephonic price quotations from at least three qualified and responsible contractors shall be requested for all contracts in excess of the base amount of twelve thousand six hundred dollars (\$12,600) but less than the amount requiring advertisement and competitive bidding, subject to adjustment under

subsection 3102(b.1) of the Second Class Township Code, 53 P.S. § 65101 et seq. The adjusted telephonic/written price quotation threshold shall be equal to the amount published by the Pennsylvania Department of Labor and Industry based upon the percentage change in the Consumer Price Index for All Urban Consumers. Such adjustments shall go into effect on January 1 of each year.

In lieu of price quotations, if fewer than three qualified contractors exist in the market area within which it is practicable to obtain quotations a memorandum shall be kept on file documenting that condition.

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 years.

SECTION 5: Chapter 208, Section 208.09, Subsection b, of the Code of the Township of

Upper Providence is hereby **amended** to read as follows:

208.09 Bonds required.

(b) Performance maintenance and labor and material payment bonds.

(1) The successful bidder must deliver to Upper Providence Township, in exchange for the bid security, the following bonds:

A. In the case of contracts for maintenance, repairs or construction, the total cost of which exceeds \$12,600, but does not exceed \$23,200, as those thresholds are adjusted annually pursuant to Section 208.01 and 280.04, a performance bond with corporate surety satisfactory to Council in such amount as Council may require, but not less than 50% of the total contract price.

B. In the case of contracts for maintenance, repairs or construction, the total cost of which exceeds \$23,200, as adjusted annually pursuant to Section 208.01, a performance bond executed by one or more surety companies satisfactory to the Council and authorized to do business in the Commonwealth of Pennsylvania, at 100% of the contract price for faithful performance of the contract and 10% of the contract price for maintenance of the work performed under the contract for a period of one year from the date of completion and acceptance of the work performed under the contract.

C. In all cases, a material and labor bond in the amount of 100% of the contract price for the payment of all persons performing labor or furnishing materials in connection therewith.

(2) Such bonds shall be in the form of bonds included in the specifications and shall bear the same date as the date of the contract. The failure of any successful bidder to execute required bonds within 20 days after the prescribed forms are presented for signature, or within such extended period as the Township Council may grant, shall constitute a default, and the Township Council may either award the contract to the next responsible bidder or readvertise for bids and may charge against the bidder the difference between the amount of this bid and the amount for which a contract for the work is subsequently executed, irrespective of whether the amount thus due exceeds the amount of the bid guaranty.

SECTION 6. Repealer.

All ordinances, resolutions and parts of ordinances and resolutions inconsistent herewith, are hereby repealed.

SECTION 7. Severability.

The provisions of this ordinance are severable, and if any section, sentence, clause, part, or provision hereof shall be held illegal, invalid, or unconstitutional by any court of competent jurisdiction, such decision of the court shall not affect or impair the remaining sections, sentences, clauses, or parts of this Ordinance. It is hereby declared to be the intent of the Township Council that this Ordinance would have been adopted if such illegal, invalid, or unconstitutional sections, sentence, clause, part, or provision had not been included therein.

SECTION 8. Adoption.

This ordinance shall become effective five (5) business days after passage.

ENACTED AND ORDAINED this 23rd day of January, 2024.

TOWNSHIP OF UPPER PROVIDENCE:

Christen Rexing
Council Chairperson

Attest: _____
Mareile Watson,
Interim Township Secretary