H. B. 3119

(BY DELEGATES HARTMAN, PETHTEL, PERRY, WILLIAMS AND EVANS)

[Introduced February 14, 2011; referred to the Committee on Political Subdivisions then Finance.]

A BILL to amend and reenact §16-13A-7 of the Code of West Virginia, 1931, as amended, relating to increasing the expenditure limit from \$15,000 to \$25,000 on public service district construction and purchase contracts before competitive bids are required.

Be it enacted by the Legislature of West Virginia:

That §16-13A-7 of the Code of West Virginia, 1931, as amended, be amended and reenacted, to read as follows:

ARTICLE 13A. PUBLIC SERVICE DISTRICTS.

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§16-13A-7. Acquisition and operation of district properties.

The board of such these districts shall have the 1 2 supervision and control of all public service properties acquired or constructed by the district, and shall have the 3 4 power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those 5 activities necessary to comply with all federal and state 6 7 requirements, including water quality improvement activities. 8 All contracts involving the expenditure by the district of 9 more than fifteen thousand dollars \$25,000 for construction 10 work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after 11 12 notice inviting bids shall have been published as a Class I 13 legal advertisement in compliance with the provision of 14 article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in 15 16 section two of this article in the county or counties in which the district is located. The publication shall not be less than 17 18 ten days prior to the making of any such contract. To the

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19 extent allowed by law, in-state contractors shall be given first 20 priority in awarding public service district contracts. It shall 21 be the duty of the board to ensure that local in-state labor 22 shall be utilized to the greatest extent possible when hiring 23 laborers for public service district construction or 24 maintenance repair jobs. It shall further be the duty of the 25 board to encourage contractors to use American made 26 products in their construction to the extent possible. Any 27 obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the 28 meaning of any of the provisions or limitations of the 29 30 Constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the 31 32 public service properties of the district or from proceeds of 33 bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies or for furnishing the 34 35 district with electrical energy or power shall be entered into 36 for a longer period than fifteen years.

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NOTE: The purpose of this bill is to increase the expenditure limit from \$15,000 to \$25,000 on public service district construction and purchase contracts before competitive bids are required.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.