



**S.B. 135**

123rd General Assembly  
(As Introduced)

Sens. Schafrath, Gardner, Spada, DiDonato

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**BILL SUMMARY**

- Increases the monetary thresholds for determining when competitive bidding is necessary for boards of township trustees.

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**CONTENT AND OPERATION**

**Most types of township contracts**

Boards of township trustees, like most other public bodies, generally are required to engage in competitive bidding for the purchase of certain goods or services when the contract amount exceeds a specified amount (threshold). Most thresholds currently are set at \$15,000, so for certain purchases in excess of that amount, a township must engage in competitive bidding. For example, \$15,000 is the threshold for township contracts pertaining to energy conservation measures (sec. 505.264), fire protection (sec. 505.42), memorial buildings and monuments (sec. 511.12), lighting improvements (secs. 515.01 and 515.07), and materials, machinery, and tools for road and culvert construction, reconstruction, maintenance, or repair (sec. 5549.21). The threshold for township contracts pertaining to certain sewage improvements is \$10,000 (sec. 521.05). The bill increases all of these thresholds to \$30,000, so that associated township contracts in excess of \$30,000 must be competitively bid (secs. 505.264(C)(1) and (D), 505.42, 511.12, 515.01, 515.07, 521.05(A), and 5549.21).<sup>1</sup>

**Road maintenance and repair contracts**

Under current law, if a board of township trustees intends to enter into a contract for the maintenance and repair of roads and the amount involved exceeds \$15,000, the contract generally must be competitively bid. The bill provides

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<sup>1</sup> The version of section 505.264 in the bill is dated due to the recent amendment of that section in Am. Sub. H.B. 187 (effective September 20, 1999).

instead that, if the contract exceeds \$30,000 *per mile of roadway*, it generally must be competitively bid. Under current law, if a township intends to construct a road by force account and the total estimated cost of the work exceeds \$5,000 "per mile," the board generally must invite and receive competitive bids for labor, materials, and equipment and doing the work, and must consider and reject them, before ordering the work done by force account. The bill increases this threshold to \$30,000 per mile "of roadway." (Sec. 5575.01.)

**Emergency-related contracts**

Under current law, if a real and present emergency exists and is declared by a resolution adopted by unanimous vote of the board of township trustees in connection with the administration of township services or the execution of a township officer's duties, the board may enter into a contract, without bidding or advertising, for the purchase of services, materials, equipment, or supplies needed to meet the emergency if the estimated cost of the contract is less than \$50,000. The bill removes the monetary limit entirely from this provision of law, so that under emergency conditions, regardless of the monetary amount of the contract, no competitive bidding is required. (Sec. 505.08.)

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**HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced	04-28-99	p. 348

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