

40:63-95

2/17/87

LEGISLATIVE HISTORY CHECKLIST

NJSA: 40:63-95 (Municipal contracts--joint meetings--
advertisements)

LAWS OF: 1986 **CHAPTER** 159

BILL NO: S196

Sponsor(s): Brown

Date Introduced: Pre-filed

Committee: Assembly: Municipal Government

Senate: County and Municipal Government

Amended during passage: Yes Amendments during passage denoted by
asterisks

Date of Passage: **Assembly:** October 23, 1986

Senate: June 12, 1986

Date of Approval: December 1, 1986

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

12-1-86

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SENATE, No. 196

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1986 SESSION

By Senator BROWN

AN ACT concerning certain contracts of joint meetings and amending R. S. 40:63-95.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. R. S. 40:63-95 is amended to read as follows:

2 40:63-95. Whenever any work to be performed or materials to
3 be furnished in or about any improvement or works to be made
4 under the provisions of this article shall involve an expenditure of
5 a sum of money exceeding **[\$2,500.00]** *the amount under which a*
6 *contracting unit may award contracts or make purchases or agree-*
7 *ments without public advertising pursuant to the provisions of*
8 *section 3 of P. L. 1971, c. 198 (C. 40A:11-3), the municipal bodies or*
9 *boards of the contracting municipalities, by their official action*
10 *taken in joint meeting as herein provided, shall designate a time*
11 *when they will meet at their usual place of meeting to receive pro-*
12 *posals in writing, for doing the work or furnishing the materials, and*
13 *such joint meeting shall order the chairman and secretary thereof*
14 *to give notice by advertisement inserted in one or more newspapers*
15 *circulating in one or more of the contracting municipalities in each*
16 *county in which the contracting municipalities are situate*,* at*
17 *least 10 days before the time of such meeting, of the work to be done*
18 *or materials to be furnished, of which at the time of such order they*
19 *shall cause to be filed in the office of such joint meeting particular*
20 *specifications. Not more than one proposal shall be received from*
21 *any one person, directly***[,]*** or indirectly, for the same contract,*
22 *work, or materials, and all proposals received shall be publicly*
23 *opened by the chairman in the presence and during a session of such*

EXPLANATION—Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Senate committee amendments adopted May 12, 1986.

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24 joint meeting, and of all others who choose to attend the meeting.
25 The joint meeting may reject any and all proposals and direct its
26 chairman and secretary to advertise for new proposals and accept
27 such as shall*,* in the opinion of a majority of the municipalities
28 represented in the joint meeting, be deemed most advantageous for
29 the municipalities.

30 The proposal so accepted shall be reduced to a contract in writing,
31 and a satisfactory bond to be approved by the joint meeting shall
32 be required and given for its faithful performance, but all con-
33 tracts when awarded shall be awarded to the lowest responsible
34 bidder offering satisfactory security.

35 This section shall not prevent the joint meeting from having any
36 work done by its own employees, nor shall it apply to repairs, or
37 to the furnishing of materials, supplies or labor, or to the hiring of
38 teams or vehicles, when the safety or protection of public property
39 or the public convenience ***[require]*** **requires**, or the exigency of
40 the public service will not admit of such advertisement. In such case,
41 however, the joint meeting shall, by resolution, passed by the affir-
42 mative vote of $\frac{4}{5}$ of all contracting municipalities represented in
43 such joint meeting, declare the exigency or emergency to exist, and
44 set forth in the resolution the nature thereof and the approximate
45 amount to be so expended.

46 This section shall not apply to any engineer or agent of the jointly
47 contracting municipalities engaged in supervising or directing the
48 work of the improvement.

49 *Nothing in this section shall prohibit the joint meeting from
50 entering into a joint agreement pursuant to section 10 of P. L.
51 1971, c. 198 (C. 40A:11-10) for the purchase of work related to
52 sewage sludge disposal. All such agreements shall be entered into
53 by resolution of the joint meeting and shall be subject to the re-
54 quirements of P. L. 1971, c. 198 (C. 40A:11-1 et seq.).*

1 2. This act shall take effect immediately.

SENATE, No. 196

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1986 SESSION

By Senator BROWN

SENATE, No. 2862

STATE OF NEW JERSEY

INTRODUCED MAY 2, 1985

By Senator BROWN

Referred to Committee on County and Municipal Government

AN ACT concerning certain contracts of joint meetings and amend-
ing R. S. 40:63-95.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. R. S. 40:63-95 is amended to read as follows:

2 40:63-95. Whenever any work to be performed or materials to
3 be furnished in or about any improvement or works to be made
4 under the provisions of this article shall involve an expenditure of
5 a sum of money exceeding **[\$2,500.00]** *the amount under which a*
6 *contracting unit may award contracts or make purchases or agree-*
7 *ments without public advertising pursuant to the provisions of*
8 *section 3 of P. L. 1971, c. 198 (C. 40A:11-3), the municipal bodies or*
9 *boards of the contracting municipalities, by their official action*
10 *taken in joint meeting as herein provided, shall designate a time*
11 *when they will meet at their usual place of meeting to receive pro-*
12 *posals in writing, for doing the work or furnishing the materials, and*
13 *such joint meeting shall order the chairman and secretary thereof*
14 *to give notice by advertisement inserted in one or more newspapers*
15 *circulating in one or more of the contracting municipalities in each*
16 *county in which the contracting municipalities are situate at least*
17 *10 days before the time of such meeting, of the work to be done or*
18 *materials to be furnished, of which at the time of such order they*
19 *shall cause to be filed in the office of such joint meeting particular*
20 *specifications. Not more than one proposal shall be received from*
21 *any one person, directly, or indirectly, for the same contract, work,*
22 *or materials, and all proposals received shall be publicly opened*
23 *by the chairman in the presence and during a session of such joint*

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

Matter printed in italics thus is new matter.

24 meeting, and of all others who choose to attend the meeting. The
25 joint meeting may reject any and all proposals and direct its chair-
26 man and secretary to advertise for new proposals and accept such
27 as shall in the opinion of a majority of the municipalities repre-
28 sented in the joint meeting, be deemed most advantageous for the
29 municipalities.

30 The proposal so accepted shall be reduced to a contract in writing,
31 and a satisfactory bond to be approved by the joint meeting shall
32 be required and given for its faithful performance, but all con-
33 tracts when awarded shall be awarded to the lowest responsible
34 bidder offering satisfactory security.

35 This section shall not prevent the joint meeting from having any
36 work done by its own employees, nor shall it apply to repairs, or
37 to the furnishing of materials, supplies or labor, or to the hiring of
38 teams or vehicles, when the safety or protection of public property
39 or the public convenience require, or the exigency of the public
40 service will not admit of such advertisement. In such case, however,
41 the joint meeting shall, by resolution, passed by the affirmative vote
42 of $\frac{2}{3}$ of all contracting municipalities represented in such joint
43 meeting, declare the exigency or emergency to exist, and set forth in
44 the resolution the nature thereof and the approximate amount to be
45 so expended.

46 This section shall not apply to any engineer or agent of the jointly
47 contracting municipalities engaged in supervising or directing the
48 work of the improvement.

1 2. This act shall take effect immediately.

STATEMENT

This bill would require the municipalities which have formed joint meetings to publicly advertise for bids whenever the purchase, contract or agreement amount exceeds the "threshold amount" for public advertising in the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.). Currently, the threshold amount is \$7,500.00.

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE
STATEMENT TO
SENATE BILL NO.196(OCR)
DATED: September 11, 1986

The Assembly Municipal Government Committee favorably reports Senate Bill No. 196(OCR).

This bill amends R.S. 40:63-95 so as to increase the threshold for the bidding of contracts by joint meetings from \$2,500.00 to the threshold applicable under the "Local Public Contracts Law" P.L. 1971, c. 198 (C. 40A:11-1 et seq.). That threshold presently is \$7,500.00.

The "joint meeting" to which this bill pertains is one formed pursuant to the provisions of Article 2 of chapter 63 of Title 40 of the Revised Statutes. That article allows two or more municipalities to jointly provide for, construct, maintain and operate a sewerage system and plant for the treatment and disposal of sewerage. The present \$2,500.00 threshold for joint meetings has been in effect since 1962. The threshold of the Local Public Contracts Law was increased to \$4,500 in 1979 and \$7,500.00 in 1985. Under this bill the threshold for joint meetings will equal the threshold for the bidding of contracts applicable to all other local units of government.

The Senate amended the bill so as to conform it to the recent amendment to R.S. 40:63-95 made by P.L. 1985, c. 452.

This bill was prefiled for introduction in the 1986 session pending technical review. As amended by the Senate the bill includes the changes required by technical review.

SENATE COUNTY AND MUNICIPAL GOVERNMENT
COMMITTEE

STATEMENT TO

SENATE, No. 196

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MAY 12, 1986

The Senate County and Municipal Government Committee reports favorably and with committee amendments Senate Bill No. 196.

Senate Bill No. 196 Sca amends R. S. 40:63-95 to require municipalities which have formed joint meetings to publicly advertise for bids whenever the purchase, contract or agreement amount exceeds the "threshold amount" for public advertising in the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.). Currently, that threshold amount is \$7,500.00.

Present law, R. S. 40:63-95, requires joint meetings to advertise for bids whenever the contract amount exceeds \$2,500.00. Counties, municipalities, and other local units used to be subject to the same \$2,500.00 threshold amount. However, in 1979, that amount was increased to \$4,500.00 and, in 1985, to \$7,500.00. This bill provides that the threshold amount of joint meetings will equal the threshold amount for other local units.

This bill was pre-filed for introduction in the 1986 session pending technical review. As reported and amended, the bill includes the changes required by technical review which has been performed.