

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 458

(Washington County Delegation)

Environmental Matters

Budget and Taxation

Washington County - County Contributions to Private or Cooperative Public
Improvement Projects

This bill increases, from \$50,000 to \$100,000, the maximum value of a contract by which the Washington County Commissioners may enter into for a public improvement project without first advertising for bids so long as the majority of the responsibility for the public improvement is with another public or private entity.

Fiscal Summary

State Effect: None.

Local Effect: Washington County will receive an operational benefit from increasing the maximum value that certain contracts can be entered into without first soliciting bids. However, this may result in contracts being awarded at a higher cost.

Small Business Effect: None.

Analysis

Current Law: Washington County may not enter into a contract to which the county is a party where the amount involved exceeds \$25,000 without first advertising for bids. For a public improvement project where the responsibility for the majority of the public improvement is with another public or private entity, the county commissioners may enter into a contract up to \$50,000 without first advertising bids. Any action by the county commissioners to participate in such a project must be taken at a regularly scheduled meeting of the county commissioners and must be based on written price quotations from at least three contractors.

Local Fiscal Effect: Increasing the authority of the Washington County Commissioners to award contracts without competitive bidding will provide the benefit of operational flexibility to the Washington County Board of Public Works and to the county commissioners; however, this may result in contracts being awarded at a higher cost. Since these projects will still require three written price quotations before approval any increase in expenditures is expected to be minimal. Additionally, the bill only applies to public improvement projects where Washington County is not the sole entity. As advised by the county, these projects are considered economic development and the bill will reduce overall operating costs.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Washington County, Department of Legislative Services

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a/hlb

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