

ENGROSSED HOUSE
BILL NO. 2108

BY: KOUBA, RHODES (Dusty)
and YORK of the HOUSE

and

HENDRICK of the SENATE

AN ACT RELATING TO COUNTY ROAD EQUIPMENT; AMENDING 19
O.S. 1991, SECTION 1501, WHICH RELATES TO THE
DUTIES OF THE COUNTY PURCHASING AGENT; AUTHORIZING
THE COUNTY PURCHASING AGENT TO MAKE LEASE OR LEASE-
PURCHASE AGREEMENTS FOR ROAD EQUIPMENT AND
MACHINERY UNDER CERTAIN CIRCUMSTANCES; AMENDING 69
O.S. 1991, SECTION 636.3, WHICH RELATES TO THE
LEASING OF ROAD MACHINERY AND EQUIPMENT BY
COUNTIES; MODIFYING AUTHORITY FOR COUNTIES TO ENTER
INTO LEASE OR LEASE-PURCHASE CONTRACTS FOR ROAD
MACHINERY AND EQUIPMENT; AND DECLARING AN
EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 19 O.S. 1991, Section 1501, is
amended to read as follows:

Section 1501. A. The county purchasing agent:

1. Shall, within the amount of the unencumbered balance, make
all purchases that are paid from county funds for the various
institutions, departments, officers, and employees of the county,
except as otherwise provided for by law;

2. May make purchases for political subdivisions of this state within the county if authorized by appropriate action of the governing board or body of the political subdivision affected;

3. Shall make purchases and rental or lease-purchase agreements only after following the bidding procedures as provided for by law, except:

- a. when the purchase does not exceed One Thousand Five Hundred Dollars (\$1,500.00). All purchases made pursuant to this subparagraph shall be by a single purchase order. Splitting purchase orders which would result in paying an amount in excess of the limitations specified in this subparagraph is expressly prohibited. Any person convicted of violating the provisions of this subparagraph shall be guilty of a misdemeanor and such person shall forfeit the person's position or office,
- b. when the total payments of a rental or lease-purchase agreement do not exceed One Thousand Five Hundred Dollars (\$1,500.00),
- c. when articles and items are covered by single source contracts,
- d. purchases made at public auction provided, the State Auditor and Inspector's office is notified of the auction before the time of the sale,
- e. service or maintenance contracts on equipment or machinery which are entered into at the time of the purchase of the equipment or machinery,
- f. purchases made pursuant to a blanket purchase order as provided for in Section 310.8 of Title 62 of the Oklahoma Statutes,

- g. when unprocessed native materials for road or bridge improvements do not exceed Two Dollars (\$2.00) per yard or per ton,
- h. purchases of fuel if the county purchasing agent obtains telephone quotes from at least three vendors prior to the purchase and the lowest and best quote is selected. Documentation of these quotes shall be recorded in the permanent records of the clerk,
- i. purchases of products available to the county through a General Services Administration contract or other federal contract if the item is not on current state contract or the terms of such contract are more favorable to the county than the terms of a state contract for the same products,
- j. purchases of tools, apparatus, machinery or equipment from a state agency or a political subdivision of the state as provided for in subsection C of Section 421.1 of this title, or
- k. purchases of food for prisoners incarcerated in the county jail if the county purchasing agent obtains telephone quotes prior to the purchase and the lowest and best quote is selected. Documentation of these quotes shall be recorded in the permanent records of the county clerk.

The purchases shall be paid by attaching properly itemized invoices, as described in Section 1505 of this title, to a purchase order which has been prepared by the county purchasing agent and submitting both to the county clerk for filing, encumbering, and consideration for payment by the board of county commissioners;

4. Shall not furnish any supplies, materials, equipment, or other articles, except upon receipt of a requisition signed by a county officer. Written requisitions will not be required for

blanket purchase orders as provided for in Section 310.8 of Title 62 of the Oklahoma Statutes. Each county officer may designate not more than two employees who also shall be authorized to sign requisitions in the absence of the county officer. A written designation of said employees shall be filed with the county clerk and shall be entered in the minutes of the board of county commissioners; ~~and~~

5. Shall make lease or lease-purchase agreements for road machinery and equipment if the county has adequate funds appropriated during any fiscal year for such purpose and only after following the bidding procedures as provided for in Section 1505 of this title. The term of any lease or lease-purchase agreement authorized pursuant to this paragraph may be for any period up to one (1) year, provided, the term shall not extend beyond the end of any fiscal year, with an option to renew such agreement subject to the requirement that adequate funds are appropriated during the fiscal year by the county for such purpose. The State Auditor and Inspector's office shall be notified by the county of the terms and conditions of a lease or lease-purchase agreement authorized pursuant to this paragraph before any such agreement is made by the county purchasing agent; and

6. Shall perform such other duties as may be delegated to him by the appointing authority or as may be provided for by law.

B. Each department of county government needing repairs to equipment, machinery or vehicles shall take estimates and requisition a purchase order from the county purchasing agent for repairs not in excess of Two Thousand Five Hundred Dollars (\$2,500.00). Repairs in excess of Two Thousand Five Hundred Dollars (\$2,500.00) shall be submitted on a blanket purchase order as provided in Section 310.8 of Title 62 of the Oklahoma Statutes.

SECTION 2. AMENDATORY 69 O.S. 1991, Section 636.3, is amended to read as follows:

Section 636.3 A. Counties shall enter into lease or lease-purchase contracts for road machinery and equipment pursuant to the provisions of Sections 636.1 through 636.7 of this title ~~and~~ or pursuant to the provisions of Sections 1500 through 1505 of Title 19 of the Oklahoma Statutes and may not otherwise lease road machinery or equipment except in the case of an emergency, when specialized road machinery or equipment for projects of short durations is required for periods not to exceed thirty (30) days.

B. A county shall be eligible to enter into a lease or lease-purchase contract with the Department of Transportation for road machinery and equipment if it does not have sufficient funds available during any fiscal year for the purchase of road machinery and equipment. A county may also enter into a full warranty lease contract for road machinery and equipment pursuant to the provisions of subsection F of this section. Nothing in Sections 636.1 through 636.7 of this title shall prohibit a county from purchasing road machinery and equipment if it has adequate funds appropriated during any fiscal year for such purpose.

C. Whenever a county desires to lease or lease-purchase road machinery and equipment with funds from the County Road Machinery and Equipment Revolving Fund, it shall notify the Department of Transportation of its requirements and specifications and shall provide a list of local vendors interested in submitting bids for the lease or lease-purchase agreements.

D. Upon receiving such notification from a county, the Department shall be authorized to purchase requested road machinery or equipment for lease or lease-purchase to that county or may lease or lease-purchase surplus or used road machinery and equipment to a county provided such road machinery or equipment meets the requirements and specifications of the requesting county.

E. If there are no funds available in the County Road Machinery and Equipment Revolving Fund, the Department of Transportation, upon

notification that a county desires to lease or lease-purchase road machinery or equipment, shall submit such notification and the road machinery or equipment requirements and specifications of the requesting county to the State Purchasing Division of the Office of Public Affairs. The Department of Transportation shall also certify to the county that there are no funds available in the County Road Machinery and Equipment Revolving Fund for such purposes and that the county's notification and road machinery or equipment requirements and specifications have been forwarded to the State Purchasing Division of the Office of Public Affairs. The county may then request the Purchasing Director of the Office of Public Affairs to solicit bids to lease or lease-purchase the requested road machinery or equipment pursuant to the provisions of the Oklahoma Central Purchasing Act. The Purchasing Director of the Office of Public Affairs may reject any or all bids received for the lease or lease-purchase of said road machinery or equipment, provided any such bid accepted by the Purchasing Director shall meet the requirements and specifications of the requesting county.

F. A county may enter into a full warranty lease contract for road machinery and equipment if the county has adequate funds appropriated during any fiscal year for such purpose. Whenever a county desires to enter into a full warranty lease contract for road machinery or equipment, the county must notify the State Auditor and Inspector of its intent and must provide the State Auditor and Inspector with its requirements and specifications along with the proper documentation to be advertised for bids. Upon receiving the notification and documentation from a county, the State Auditor and Inspector shall review the documentation and, upon approval, shall forward the documentation and specifications to the State Purchasing Division of the Office of Public Affairs. The Purchasing Director of the Office of Public Affairs shall solicit bids to lease the requested road machinery or equipment according to the documentation

and specifications of the county as approved by the State Auditor and Inspector. The term of any full warranty lease contract authorized pursuant to this subsection may be for any period up to one (1) year, provided the term shall not extend beyond the end of any fiscal year, with an option to renew such lease subject to the requirement that adequate funds are appropriated during the fiscal year by the county for such purpose. The State Auditor and Inspector shall prescribe the lease forms and other documentation necessary for implementing the provisions of this subsection.

G. Except as provided in subsection F of this section, the Department of Transportation shall promulgate such rules and regulations and is authorized to require from the counties such information, forms and reports as are necessary for properly and efficiently administering Sections 636.1 through 636.7 of this title.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 27th day of February, 1992.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1992.

President of the Senate