

# PUBLIC BIDDING POLICY

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## **9.1: ADVERTISEMENTS FOR BIDS**

In conformance with 75 ILCS 16/40-45 (updated 8/25/17, Public Act 100-0338) for projects involving expenditures of over \$25,000 the project shall be advertised in a local English language newspaper of general circulation published in the District, at least 30 days in advance of the date announced for the receiving of bids, in an attempt to obtain competitive bids, in accordance with 75 ILCS 16/1-30(b). The advertisement for bids shall be posted in a readily accessible place in the Library.

For projects involving expenditures of \$25,000 or less, the Library Director shall negotiate the best price possible, and, whenever reasonably possible, obtain 3 quotes on the project.

Advertisements for bids shall describe the character of the proposed contract or agreement in sufficient detail to enable the bidders thereon to know what their obligations will be, either in the advertisement itself, or by reference to detailed plans and specifications on file at the time of the publication of the announcement. Such advertisement shall also state the date, time, and place assigned for the opening of bids, and no bids shall be received at any time subsequent to the time indicated in the announcement.

## **9.2: EXEMPTIONS FROM BIDDING**

Bidding is not required in the following cases, as defined in 30 ILCS 105/20, 500/1-1, 525/0-01, and related statutes, unless otherwise required by 75 ILCS 16/40-45:

1. Where the goods or services to be procured are economically procurable from only one source, such as contracts for telephone service, electrical energy, and other public utility services, books, pamphlets and periodicals, and specially designed business and research equipment and related supplies.
2. Where the services required are for professional or artistic skills pursuant to a written contract. Where applicable, compliance shall be made with Local Government Professional Services Selection Act, 50 ILCS 510/0.01 et.seq.
3. In emergencies involving public health, public safety, or where immediate expenditure is necessary for repairs to Library property in order to protect against further loss of, or damage to, Library property, to prevent or minimize serious disruption in Library services or to insure the integrity of Library records. However, if said emergency expenditure of funds exceeds \$25,000, the person authorizing the expenditure must file an affidavit with the Board Secretary within 10 days after the purchase or commitment stating the amount expended, the name of the contractor, and the conditions and circumstances requiring the emergency purchase. Where only an estimate of the cost is available within 10 days after

the purchase or contract, the actual cost must be reported immediately after it is determined.

4. Contracts for repairs, maintenance, remodeling, renovation, or construction of a single project involving an expenditure not to exceed \$25,000 and not involving a change or increase in the size, type or extent of an existing facility.
5. Contracts for repairs, maintenance, or any other services not specifically exempt from bidding where expenditures for such services do not exceed \$25,000 for the same type of service at the same location during any fiscal year.
6. Purchases of commodities and equipment where individual orders do not exceed \$25,000.
7. Contracts for the maintenance or servicing of, or provision of repair parts for equipment which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance or servicing can best be performed by the manufacturer or authorized service agent or such a contract would be otherwise advantageous to the Library.
8. Where the goods or services are procured from another governmental agency.
9. Purchases and contracts for the use, purchase, delivery, movement or installation of data processing equipment, software or services and telecommunications and inter-connect equipment, software and services.
10. Purchases of, and contracts for, office equipment and associated supplies when such contracts provide for prices that are equal to or lower than Federal General services administration contracts and when such contracts or pricing result in economical advantage to the Library.

### **9.3: OPENING OF BIDS**

All sealed bids shall be publicly opened by a Trustee or authorized employee of the Library, and all such bids shall be open to public inspection in the Library business office for a period of at least 48 hours before award is made.

An extension of time may be granted for the opening of bids upon publication in a local English language newspaper of general circulation, of the date to which the bid opening has been extended. The time of the bid extension opening shall not be less than 5 days after the publication thereof, Sundays and legal holidays excluded.

### **9.4: REJECTION OF BIDS/READVERTISEMENT**

Any and all bids may be rejected by the Board if the bidder is not deemed responsible, or the character or quality of the services, supplies, materials, equipment or labor does not conform to requirements or if the public interest may otherwise be served thereby.

When all bids are rejected, a re-advertisement for bids thereof shall be published in the same manner as the original advertisement. Proposals shall be publicly opened at the day, hour, and place specified in the solicitation for bids, or any extension thereof in accordance with this policy.

## **9.5: AWARDING OF CONTRACTS**

All purchases, contracts, and expenditures shall be awarded by the Board to the lowest responsible bidder. In determining the lowest responsible bidder, in addition to price, the Board shall consider:

- A. The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- B. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
- C. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
- D. The quality of performance of previous contracts or services;
- E. The previous and existing compliance by the bidder with the laws and ordinances relating to the contract or service;
- F. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
- G. The quality, availability and adaptability of the supplies, or contractual services to the particular use required;
- H. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- I. The number and scope of conditions attached to the bid;
- J. Such other factors as the Board shall deem appropriate to the specific circumstances of the bid.

Contracts must be awarded only on the basis of criteria which are publicly disseminated. The Library will not respond to requests to bidders or communicate with them in any way other than through the invitation to bid, written specifications, and a pre-bid conference for which the date and time is advertised in the invitation to bid. Bidders may be required to be "pre-qualified" pursuant to the above criteria.

### **9.5.1: TIE BIDS**

If all bids received are for the same total amount or unit price, quality and service being equal, the contract shall be awarded to a local bidder; if there is no local bidder, the Board shall award the contract to one of the tie bidders by drawing lots in public, or by rebidding.

## **9.6: CONTRACTS**

General conditions of the contract for construction, etc., and detailed procedures will be according to the recommendation and advice of the Library's attorney and consulting architect or engineer.

## **9.7: SPECIFICATIONS**

In case of contracts for the construction of buildings, or for other construction work in or about buildings and grounds, where the entire estimated cost of such work exceeds \$100,000 prospective bidders, as well as architects and engineers employed in connection with such project, must be pre-qualified to determine their responsibility. Separate specifications must be prepared for all equipment, labor and materials in connection with the following 5 subdivisions of the work to be performed:

1. Plumbing
2. Heating, piping, refrigeration and automatic temperature control systems, including the testing and balancing of such systems.
3. Ventilating and distribution systems for conditioned air, including the testing and balancing of such systems.
4. Electric wiring.
5. General contract work.

Such specifications shall be so drawn as to permit separate and independent bidding upon each of the above 5 subdivisions of work; provided, however, if the total estimated cost of all such work is less than \$100,000, such separate and independent specifications and bidding shall not be required. All contracts awarded for any part thereof shall award the 5 subdivisions of such work separately to responsible and reliable persons, firms, or corporations engaged in these classes of work. Such contracts, at the discretion of the Library Board, may be assigned to the successful bidder on the general contract work, or to the successful bidder on the subdivision of work designated by the Library Board prior to bidding as the prime subdivision of work; provided that all payments will be made directly to the contractors for the 5 subdivisions of such work upon compliance with the conditions of the contract. A contract may be let for one or more buildings in any project to the same contractor. The specifications shall require, however, that unless the buildings are identical, a separate price shall be submitted for each building. The contract may be awarded to the lowest responsible bidder for each or all of the buildings included in the specifications.

## **9.8: ARCHITECTS/CERTIFICATES OF PAYMENT**

Any contract entered into or expenditure of funds by the Library for the remodeling, renovation or construction, involving an expenditure in excess of \$25,000, shall be subject to the supervision of a licensed architect or engineer and no payment shall be paid for such remodeling, renovation or construction unless the vouchers or invoice for such work is accompanied by a written certificate of such licensed architect or engineer that the payment represents work satisfactorily completed; labor; or materials incorporated in or stored at the site of such work; provided, periodic payments can be made during the course of such work upon a certificate of such licensed architect or engineer and indicating the proportionate amount of the total work satisfactorily completed.

## **9.9: REQUIREMENTS OF BIDDERS**

### **9.9.1: SWORN STATEMENTS**

Each bidder shall accompany his bid with a sworn statement, or otherwise swear or affirm, that he has not been a party to collusion among bidders, in the form prescribed by 65 ILCS 5/8-10-8.

Every bid submitted to and contract executed by the Library shall contain a certification (a "no violation" certificate) by the contractor that the contractor is not barred from bidding on the contract as a result of a violation of either Section 33E-3 or 33E-4 of 720 ILCS 5133 E. The Library shall provide a form for such certification.

### **9.9.2: BID BONDS**

Cash, cashier's check, a certified check, or a bid bond, in a reasonable amount, but not in excess of 10% of the contract amount, may be required of each bidder by the Library on all bids involving amounts in excess of \$25,000 and, if so required, the advertisement for bids shall so specify.

### **9.9.3: PERFORMANCE/PAYMENT BONDS**

Every contractor engaged by the Library for contracts exceeding \$25,000 shall be required to furnish, supply and deliver a bond to the Library. Performance and payment bonds will be required each in the amount of 100% of the contract price, or as fixed by the Library Board. Such bond, among other conditions, shall be conditioned for the completion of the contract, for the payment of material used in such work, and for all labor performed in such work, whether by subcontractor or otherwise. Each bond will contain the following provisions, in substance:

"The principal and sureties on this bond agree that all the undertakings, covenants, terms, conditions, and agreements of the contract or contracts entered into between the principal and the Library will be performed and fulfilled and to pay all persons, firms, and corporations having contracts with the principal or with subcontractors, all just claims due them under the provisions of such contracts for labor performed or materials furnished in the performance of the contract on account of which this bond is given, after final settlement between the Library and the principal has been made."

The bond may be acquired from the company, agent, or broker of the contractor's choice. The bond and sureties shall be subject to the right of reasonable approval or disapproval, including suspension, by the Library.

Whenever any contract entered into by the Library for the repair, remodeling, renovation, or construction of a building or structure, provides for retention of a percentage of the contract price until final completion and acceptance of the work, upon the request of the contractor and with the approval of the Library Board the amount so retained may be deposited under a trust agreement with an Illinois bank of the contractor's choice and subject to the approval of the Library. The contractor shall receive any interest thereon. Upon application of the contractor, the trust agreement must contain, as a minimum, the following provisions:

1. The amount to be deposited subject to the trust;
2. The terms and conditions of payment in case of default of the contractor;
3. The termination of the trust agreement upon completion of the contract;
4. The contractor shall be responsible for obtaining the written consent of the bank trustee, and any costs or service fees shall be borne by the contractor.

The trust agreement may, at the discretion of the Library and upon request of the contractor, become operative at the time of the first partial payment.

### **9.10: PREVAILING WAGES**

In accordance with 820 ILCS 130/1 et. seq., contractors engaged by the Library must pay their laborers, mechanics, and other workers the prevailing wage. The prevailing rate of wages means the hourly cash wages plus fringe benefits for health and welfare, insurance, vacations, and pensions paid generally in Kane County to employees engaged in work of a similar character on public works.

The requirement to pay prevailing wages does not apply to exceptions permitted by law.

The Library will list the most current prevailing wage rates available in each bid specification pursuant to The Illinois Department of Labor rates as supplied to each County Clerk at the first of each month as required by law.

### **9.11: CERTIFICATES OF INSURANCE**

A certificate of insurance shall be required of every bidder and every contractor. Contractors shall be insured for the following minimum amounts by insurance companies with a minimum Best's rating of A

Worker's compensation: \$100,000 each occurrence, \$100,000 each employee; \$500,000 policy limit General Liability: \$1,000,000 each occurrence; \$2,000,000 aggregate; Automobile Liability: \$500,000 each accident; \$1,000,000 combined

### **9.12: CHANGE ORDERS**

Change orders which authorize or necessitate an increase or decrease in either the cost of a contract by **\$25,000** or more, or the time of completion by 30 days or more, shall not be authorized without the Library Board or its designee making a determination in writing that the circumstances requiring the change order: (1) were not reasonably foreseeable when the contract was signed; or (2) were not contemplated by the contract as signed; or (3) are in the best interests of the Library District. Change order determinations shall be kept in a permanent contract file open to the public, and shall otherwise meet the requirements of 720 ILCS 5/33 E-9 et. seq.

### **9.13: AUTHORIZED EXPENDITURES BY LIBRARY DIRECTOR**

No commitment for expenditures of District monies, except from the petty cash fund, shall be made without authorization or a purchase order issued according to the following conditions:

A. \$25,000 or more:

All expenditures of \$25,000 or more shall be made only with prior Board approval in the manner prescribed by State law and Board policy.

B. Less than \$25,000 – More than \$5,000:

All expenditures of less than \$25,000 but more than \$5,000 shall be made only with prior Board approval; (approval includes budgeted items approved by the Board; the exceptions are reoccurring or annual bills like annual database subscriptions, etc.) . Staff shall obtain at least three documented quotations.

C. Less than \$5,000:

Expenditures of less than \$5,000 for approved budget items or budget contingency items may be made at the discretion of the Director without bids or quotations.

D. Emergency Expenditures:

Emergency (unbudgeted) expenditures over \$5,000 can be made only by the Director upon approval of the Board President and approved by 3/4 majority of the Board. The initial Board inquiry may be by electronic means to the extent permitted by the Illinois Open Meetings Act, which is then to be ratified at the next Board meeting.

## **DISPOSAL OF SURPLUS LIBRARY PROPERTY**

Real or personal Library property which in the judgment of the Library Director is no longer useful or necessary for Library purposes may be disposed of in the following manner:

1. Books and other library materials from the Library's collection, or gift materials, may be discarded, sold, or given to another local government or not-for-profit organization.
2. Personal property of any value may be donated or sold to any other tax-supported library or to any library system operating under the provisions of the Illinois Library System Act under terms or conditions determined by the Board.
3. Personal property having a current unit value of up to \$1,000, may, at the discretion of the Director, be discarded, turned in on new equipment, or made available for sale.
4. Personal property having a unit value of more than \$1,000 but less than \$2,500 may be displayed at the library and a public notice of its availability, the date, and the terms of the proposed sale shall be posted.
5. In all other cases, the Board shall dispose of real and personal property in accordance with the Illinois District Library Act (75 ILCS 16.30-55.30).

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