

Bidding 101: An Interactive Presentation

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Introductions

Bill Wolfson, Moderator

- *Account Executive, Mr. Davids Flooring International, LLC*



Ken Florey, Speaker

- *Attorney, Robbins Schwartz*

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Howard Metz, Speaker

- *Attorney, Robbins Schwartz*

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Ron Johnson, Speaker

- *Director, Support Services, Indian Prairie SD 204*



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- *CSBO, Ridgewood Community HS Dist 234*



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To Bid or Not to Bid

The following are a list of various types of contracts. For each example, the question is “to bid or not to bid?” In other words, are these contracts required to be publicly bid pursuant to Section 10-20.21 of the School Code?

- A contract for the purchase of paper goods and supplies totaling \$24,000?

To Bid or Not to Bid

- A service contract totaling \$50,000 for the following individuals:
 - A CPA retained to audit the district's financial records?
 - A local artist retained to paint a mural in the district cafeteria?
 - A local painter hired to paint all the district's lockers?

To Bid or Not to Bid

- A \$60,000 annual contract for milk?
- During a large construction project, a change order totaling \$75,000?
- A \$150,000 annual maintenance contract for the district's HVAC system?
- A \$500,000 contract for the purchase and installation of “smart” boards in all district classrooms?

To Bid or Not to Bid

- A \$300,000 contract for the installation of a district-wide security system?
- A \$300,000 contract for the purchase of copying machines for the district office and resource centers?
- A three year contract for the purchase of electricity totaling over \$100,000 per year?

To Bid or Not to Bid

- A contract for \$500,000 to purchase a used mobile classroom?
- A \$48,000 contract for the renovation of the stage in the district auditorium?
- A \$75,000 contract for repair work to the roof which was severely damaged during a recent storm?

To Bid or Not to Bid

- A contract for both regular and special education transportation services?
- A \$300,000 contract for the installation of new energy efficient lighting throughout the District?
- A \$100,00 contract to purchase furniture from a vendor selected by an out-of-state purchasing cooperative?

Hypothetical #1

- A school district is considering installing a new, state-of-the-art running track & athletic field as part of its upcoming renovation project. The District's architect has suggested that the track be included as part of the general contract to be put to bid. The Architect's estimate of the total cost for the purchase/installation of the track/field would add \$1 Million to the project. The District has also been approached by a purchasing cooperative consisting of governmental bodies located throughout the United States, based out of Texas. This group is offering to sell and install the track/field for a total cost of \$700,000.

Hypothetical #1

- What options are available to the District?
- Can the District negotiate the contract terms with the Cooperative?
- How can the District coordinate the track/field installation with the remaining portions of the renovation project?

Hypothetical #2

- A School District is planning to resurface the parking lots at its Elementary, Middle and High School buildings. The District bid the project out and the results were as follows:
 - Bidder #1
 - Elementary School - \$23,000.00
 - Middle School - \$30,000.00
 - High School - \$54,000.00
 - Total Bid - \$107,000.00
 - Bidder #2
 - Elementary School - \$27,000.00
 - Middle School - \$34,000.00
 - High School - \$49,000.00
 - Total Bid - \$110,000.00

Hypothetical #2

- What options are available to the District?
- Can the District split the award?

Hypothetical #3

- A bid opening originally scheduled for January 15 at 3:00 P.M. had to be rescheduled due to a blizzard. The new bid opening was set for January 20 at 1:00 P.M. The district left telephone messages for all bidders to inform them of the new bid opening time. The bids were opened and publicly read at 1:00. At 2:00, Bidder X arrived to deliver its bid to the district. Bidder X claimed that the message it received only mentioned the change in date but not the earlier time change as well.

Hypothetical #3

- May the district open the bid from Bidder X?
- If so, what potential liabilities are involved?
- What are some other circumstances would allow a district to accept a late bid submittal?

Hypothetical #4

- A School District is building a new high school. The District wants to include air conditioning, a swimming pool and an auditorium as part of the project, but is not sure that those items would fall within its budget. The District thus chose to include those items as alternates in the bid process. The bid results are as follows:

	Base Bid	Alternate 1/Air Conditioning	Alternate 2/ Swimming Pool	Alternate 3/ Auditorium	Total
Bidder No. 1	\$18 Million	\$2 Million	\$8 Million	\$3 Million	\$31 Million
Bidder No. 2	\$20 Million	\$1 Million	\$6 Million	\$1 Million	\$28 Million
Bidder No.3	\$22 Million	\$1 Million	\$2 Million	\$1 Million	\$26 Million

Hypothetical #4

- What options are available to the District when determining the award of this contract?
- The District wishes to include all three alternates in the award of the contract. The District's budget, however, cannot exceed \$25 Million. What options are available?

Questions and Answers

We thank you for your time!

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