

A. Procedures

The procedures of the Library regarding purchasing of goods and services, letting of contracts, soliciting bids for those goods and services shall be as follows:

(1) ***Purchases that do not exceed \$4,000 in value.*** The Executive Director shall have authority to make purchases not to exceed \$4,000 in value without prior approval by the Library Board.

(2) ***Purchases greater than \$4,000 but under \$10,000 in value.*** The Executive Director shall bring purchase requests greater than \$4,000 but under \$10,000 in value to the Library Board for consideration prior to committing the Library to such purchases. Such purchases do not include contractual obligations approved as part of the Library budget process for items such as cleaning services and maintenance of heating & air conditioning. Nor does it include book and non-book material purchases, electronic resource subscriptions, and standing orders.

(3) ***Public works construction projects over \$20,000 in value and non-public works construction project goods or services over \$10,000 in value.*** Contracts for public works construction projects over \$20,000 in value and purchases of non-public works construction project goods or services for more than \$10,000 in value, except those for professional services, shall be made on the basis of awarding of contracts to the lowest responsible bidder after advertising for bids has taken place. By a two-thirds vote of the Library Board, this requirement of bidding may be waived.

(4) ***Notice requirements for Public works construction projects over \$20,000 in value and non-public works construction project goods or services over \$10,000 in value.*** Notice inviting bids shall be published on the Library's web page and at least once in a newspaper generally circulated within the city at least ten days prior to the date set for receiving such proposals. Provided, however, that where the goods to be purchased are of a specialized nature, the notice may be published in a publication pertaining to those particular goods. Such notice shall include a general description of the articles to be purchased or the services to be performed, shall state where bid blanks and specifications may be secured, including the cost, if any, of the specifications, the amount of bid deposit required and the time and location for opening bids. The notice shall be placed in a prominent place in the Library.

(5) ***Prevailing wages.*** In calling for bids of Library public works projects, the notice shall provide that the general prevailing rate of wages shall be paid for each craft or type of worker needed to perform such work, as provided by statute. The prevailing wage rate for Library projects shall be the schedule adopted as an ordinance by the Rolling

Meadows City detailing the prevailing wage in June of each year, unless provided otherwise by state law.

B. Change orders

The Executive Director may approve through a written change order increases in public works construction contract amounts due to unforeseen environmental or manmade circumstances, not to exceed in total five percent of the awarded contract amount or \$4,000 without prior Library Board approval. The Executive Director shall provide a report to the Library Board at its next regularly scheduled meeting, summarizing the dollar impact and reasoning for the change order. However, no single change order shall exceed \$4,000, except where a delay in approving such change order would result in a financial penalty or would create a serious emergency for the Library that would endanger the health or safety of its patrons and staff. In such event, the provisions of the Library policy dealing with "Emergency purchases", infra, shall be used. The Executive Director shall report his or her actions in making such approvals at the next regularly scheduled Library Board Meeting.

C. Bidders' list and pre-qualification

The Executive Director or his/her designee shall solicit sealed bids from all responsible prospective suppliers who have requested their names to be added to a "bidders' list," which the Library shall maintain, by sending them a copy of such newspaper notice or such other notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors on the bidders' list shall be limited to commodities or services typically provided by them.

D. Bid opening procedure

- (1) Bids shall be submitted sealed to the Executive Director or his/her designee and shall be identified as bids for the specific proposal or project submitted.
- (2) Bids shall be opened in public at the time and location stated in the notice inviting bids.
- (3) A tabulation of all bids received shall be made by the Executive Director or his/her designee and presented to the Library Board with a recommendation on award or rejection of the bids.

E. Award of bid

The Library Board shall award the bid to the lowest responsible bidder. In determining "lowest responsible bidder," in addition to price, the Library Board shall consider the following:

- (1) The ability, capacity and skill of the bidder to perform the contract or provide the service required.
- (2) Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference.
- (3) The character, integrity, reputation, judgment, experience and efficiency of the bidder.
- (4) The quality of performance of previous contracts or services.
- (5) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service.
- (6) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
- (7) The quality, availability and adaptability of the supplies, or contractual services to the particular use required.
- (8) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.
- (9) The number and scope of conditions attached to the bid.

F. Rejection of bids

The Library Board shall have the authority to reject any bids, parts of bids, or all bids for one or more supplies or contractual services included in the proposed contract, when the public interest will be served thereby.

G. Bid deposits

Unsuccessful bidders shall be entitled to the return of bid deposits immediately after action is taken on the bids by the Library Board or sooner if authorized by the Executive Director. The Library may hold the bid deposit of a bidder chosen as the alternate successful bidder until the successful bidder has signed the contract, but no longer than 30 days after the award of the bid. A successful bidder shall forfeit any bid deposit upon failure on his or her part to enter into a contract with the Library within ten days after receiving written notice from the Executive Director or his/her designee of the award of the bid.

H. Tie bids

If any bids are received for the same total amount or unit price, quality, service and all other pertinent facts being equal, the contract may be awarded by drawing lots in a public place.

I. Independent contractors agreement

All contracts by independent contractors shall either contain therein approximately the following terms and conditions or shall, as a result of their enactment, have such terms and conditions made a part thereof as if they were contained therein:

"The independent contractor hereby agrees:

(A) To comply with all laws, regulations and rules promulgated by any federal, state, county, municipal and/or other governmental unit or regulatory body now in effect, or which may be in effect during the performance of the work to which reference is made above. Included within the scope of the laws, regulations and rules referred to in this paragraph, but in no wise to operate as a limitation, are all forms of traffic regulations, public utility and Intrastate and Interstate Commerce Commission regulations, Worker's Compensation Laws, the Social Security Act of the federal government and any of its titles, FEPC or FEOC statutory provisions and rules and regulations.

(B) To protect, indemnify, hold and save harmless and defend the Library against any and all claims, costs, causes of action and expenses, including but not limited to attorney's fees incurred by reason of a lawsuit or claim for damages arising in favor of any person, including the claims of the employees, officers and agents of independent contractors or subcontractors on account of personal injuries or death, or damages to property occurring, growing out of, incident to, or resulting directly or indirectly from the performance by the independent contractor, its subcontractor, officers, employees or agents hereunder, whether such loss, damage, injury or liability is contributed to by the negligence of the Library.

(C) To keep in force, to the satisfaction of the Library, at all times during the performance of the work referred to above, public liability insurance and automobile liability insurance with bodily injury limits of not less than established by the Library's specifications, and property damage insurance with limits of not less than established by the Library's specifications. The independent contractor shall furnish proof of such insurance coverage and may be required to cause the Library, its officers, agents, and employees to be named as an additional insured prior to execution of any contract. The Library may, in specific bid documents, require higher levels of insurance coverage.

(D) To furnish any affidavit or certificate, in connection with the work covered by this agreement as provided by law.

(E) To indemnify the Library for any loss it may sustain by theft or other cause from the acts of negligence of the employees, officers or agents of the independent contractor or of its subcontractors."

J. Labor and material bond required for public works contract

In making contracts for public works of any kind to be performed for the Library, the contractor for such work shall furnish, supply and deliver a bond with good and sufficient sureties to the Library in the amount determined by the Library Board. Such bond 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 is deemed to contain the following provisions whether such provisions are inserted in such bond or not:

"The principal and sureties on this bond agree that all the undertakings, covenants, terms, conditions and agreements of 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 sub-contractors, all just claims due them under the provisions of such contracts for labor performed or materials finished in the performance of the contract on account of which this bond is given, when such claims are not satisfied out of the contract price of the contract on account of which this bond is given."

The bond required by this section may be acquired from the company, agent or broker of the contractor's choice, subject to the right of reasonable approval or disapproval by the Executive Director or his/her designee.

K. Performance bond required

In making contracts for public works of any kind to be performed in the Library, the contractor for such work shall furnish, supply and deliver a performance bond in the full amount of the contract to the Executive Director. Such bond may be required to further stipulate such provisions as will guarantee the faithful performance that the general prevailing rate of wages will be paid to all laborers, workers and mechanics employed by or on behalf of the Library engaged in the construction of library public works, as provided by statute.

L. Execution of contract

The Executive Director or his/her designee may execute any contract on behalf of the Library.

M. Library public works improvements contract without bid

Any contract for a Library public works or improvement may be entered into by the Library without advertising for bids as follows:

- (1) If authorized by a vote of two-thirds of all the Library Board Members then holding office; or
- (2) In the following manner, if authorized by a vote of two-thirds of all the Library Board Members then holding office: the Executive Director or his/her designee shall superintend and cause to be carried out the construction of the work or other Library improvement and shall employ exclusively for the performance of all manual labor thereon, laborers and artisans whom the Library shall pay by the day or hour; and all material of the value of **\$20,000** and upward used in the construction of the work or other Library improvement, shall be purchased by contract let to the lowest responsible bidder in the manner to be prescribed by Library Policies and Bylaws.
- (3) Nothing contained in this section shall apply to any contract by the Library with the federal government or any agency thereof.

N. Sale of personal property

Whenever the Library owns any personal property, which in the opinion of three-fourths of the Library Board then holding office, is no longer necessary or useful to, or for the best interests of the Library, such a majority of the Library Board then holding office, at any regular meeting or at any special meeting called for that purpose:

- (1) May authorize the sale of that personal property in such manner as they may designate, with or without advertising the sale;
- (2) May authorize the Executive Director or his/her designee to convert that personal property into some other form that is useful to the Library by using the material in the personal property; or
- (3) May authorize the Executive Director or his/her designee to convey or turn in any specified article of personal property as part payment on a new purchase of any similar article.
- (4) However, no article shall be turned in as part of the purchase price on any purchase except upon receipt of competitive bids, in such manner as may be prescribed by Library Policies, after notice to all bidders that the article will be turned over as part of the purchase price.

O. Records

The Executive Director or his/her designee shall keep a record of all bids submitted to the Library and such records shall be open to public inspection.

P. Emergency purchases

Where, in the opinion of the Executive Director, a serious emergency exists at the Library will endanger the health or safety of its patrons or staff, the Executive Director may make emergency purchases that exceed \$4,000 in value. Prior to making such a purchase, the Executive Director shall attempt to notify the members of the Library Board regarding the pending purchase. The Executive Director may not undertake such a contract or purchase if a majority of the members of the Library Board whom he or she is able to contact indicate that they would not confirm and ratify the action of the Executive Director in making this purchase under emergency circumstances. The Executive Director shall report his or her actions in making such an emergency purchase at the next regular scheduled Library Board Meeting and provide full details as to the purchase and the circumstances under which the purchase was made.

Q. Joint purchase agreements

The Library may enter into joint purchasing agreements for the purchase of supplies, personal property and services with other governmental units, as provided by statute, when authorized by the Library Board, without individually undertaking the competitive bidding requirement set forth within this article, provided that the mechanism for the intergovernmental purchase provides for an equal or better opportunity for providers of goods and services to competitively bid for the furnishing of such goods or services to the governmental bodies.