

To: Tom Flynn, Chairman, Board of Finance
From: Twig Holland, C.P.M.
Date: 12 October 2012
Re: Updated Bidding Requirements

Mr. Flynn ~ A previously scheduled appointment prevents my attending the next quarterly meeting of the Board of Finance. *In absentia*, I report the following good news about the impact of the updated bidding requirements that were approved 4 October 2011. Unless stated otherwise, all statistics are for the twelve month periods of 10/1/10 to 9/30/11, and 10/1/11 to 9/30/12:

- The bidding requirements increased the threshold for public bidding from \$7,500 to \$15,000. The number of bids completed was reduced from 128 in 10/1/10 to 103 completed 10/1/11 to 9/30/12; some of this reduction is a result of the increased bid threshold.
- Nine waivers of public bid for sole-source products, which met or exceeded the \$15,000 bid threshold – were approved from 10/5/11 to 10/5/12 – seven for Town departments, two for the schools. The sole-source products / services range from teaching and testing materials to specialized pump parts and the library's online catalog. Bidding sole-source goods represents non-value added work for the purchasing department, as only one bid would have been received due to the patented / proprietary / highly specialized product or equipment, so this change in the requirements eliminated nine bids of this nature.
- Eight waivers of public bid due to emergency situations were approved between 10/5/11 to 10/5/12 – all for Fairfield Public School district. This waiver mechanism allowed the schools to immediately contract for PCB remediation at Osborn Hill School, and to quickly arrange for out-of-district transportation for students with special needs who were new to the district.
- The number of orders issued under GSA and consortium-bid contracts are too numerous to count; however, I can confirm those contracts are frequently used and represent savings, both in cost of goods and cost-avoidance for non-value-added staff time.
- The continuing waiver of public bidding requirements for consumable energy products allowed us to purchase power for delivery 2013/14 at very favorable rates, and to purchase 87 octane gasoline for the bargain-basement price of \$2.897 per gallon.

We believe the updated bidding requirements will continue to offer greater efficiency, better use of resources, and cost reductions for our customers and the purchasing department staff. Please advise of questions / requests for follow-up information.