

MINUTES - SPECIAL MEETING
ORONOCO TOWN BOARD
April 18, 2022 5:00 PM

A special meeting of the Oronoco Town Board was called to order on April 18, 2022 by Chair Ken Mergen at about 5:35pm. Present were Supervisors Ken Mergen and Tammy Matzke, and Clerk Lucy Shonyo. Supervisor Charlie Lacy and Treasurer Kim Stanton were absent. Town attorney Bob Ruppe was present via phone.

The posted topics of the meetings were roads bids received at the April 11 town board meeting, and, if needed, re-scheduling the May meeting.

Chair Mergen introduced town attorney Bob Ruppe.

Mr. Ruppe explained that his presence at the meeting revolved around the township's requested help with complying with municipal contract law on seeking quotes for snowplowing and general road maintenance. In the past these contracts were awarded as one contract to a single company. Mr. Ruppe suggested that the Town Board consider awarding each activity under a separate contract.

According to Mr. Ruppe, the Township cannot split a contract into a series of smaller contracts solely for the purpose of avoiding the need to advertise for sealed bids by keeping each individual contract under the \$175,000 limit. If, however, the contract is made up of independently identifiable component parts, then it may be possible to treat each component as a separate contract, even if the same vendor or provider ends up being awarded each of the separate contracts. It is Mr. Ruppe's opinion that snowplowing and general road maintenance can be treated as separate contracts and that the Township may benefit financially from doing so.

Mr. Ruppe further explained that the past years snowplowing and general road maintenance contracts when awarded as one contract, did not have a value of \$175,000. Therefore, he believes that the Town Board is justified in relying on these figures in determining compliance with the Uniform Municipal Contracting Law. According to Mr. Ruppe, contracts that have estimated values from \$25,000 up to \$175,000 can be let on direct negotiation but only after receiving at least two quotations that must then be kept on file for at least one year following the date of receipt. He believes that the Township's proposed snowplowing and general road maintenance contract falls within this category. This would especially be true if the Town Board follows his recommendation to award each contract separately.

Mr. Ruppe suggested that the Township reject all bids that it has received for general road maintenance and snow plowing from S&B Services and Schumacher Excavating and authorize the Clerk to send requests for quotes called Requests for Proposals ("RFPs") for general road maintenance to all of the companies which have bid on the Township's contracts in the recent past, as well as any other companies the Township believes may be interested in doing the work. Mr. Ruppe suggested that the Township would then over the summer seek RFPs from companies interested in contracting with the Township to snowplow the Township's roads over the winter months. Each of these activities would be handled under a different contract. This would give contractors several opportunities to submit quotes

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and possibly be awarded a contract by the Township. This would also allow the Township to obtain the best possible price for the services.

In these RFP's, the Township needs to clearly define what services are being sought and any particular requirements needed from the contractor (i.e., proof of sufficient liability insurance, etc.). He recommended using the sample "simple" or "long" contracts on the MAT website as starting points. The Town Board can consult with prospective contractors for input. Negotiation is possible with quotes. The Town Board can solicit contractor proposals by publication, posting or direct solicitation.

Township financial records show that all season road maintenance expenses were under \$175,000. Therefore, the township could have requested quotes instead of sealed bids.

Mr. Ruppe recommended the Town Board reject both bids received, as the publication notice indicated was possible, and instead invite the contractors to submit proposals through the quote process.

Mr. Ruppe is available to assist a supervisor and the clerk in the process of compiling RFPs and contracts to meet Township's needs.

Supervisor Mergen moved to reject both road bids received as recommended by the town attorney. Supervisor Matzke second; motion carried 2-0.

Respectfully Submitted,

Lucy Shonyo, Clerk

Ken Mergen, Chair