



Legislation Text

File #: 111100, **Version:** 1

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SUBSTITUTE 1

ALD. BOHL

Substitute resolution directing the Department of Administration - Intergovernmental Relations Division to seek introduction and passage of state legislation relating to the use of reverse auction bidding for public works project contracts.

This resolution directs the Intergovernmental Relations Division - Department of Administration to seek introduction and passage of state legislation allowing the use of reverse action bidding when awarding public works project contracts to construct, repair, remodel or improve public works or buildings, or to purchase supplies and materials for such projects.

Current state statutes require that public works project contracts be awarded through sealed competitive bids. The City Attorney has opined that current changes in state law preclude the use of reverse auction bidding when awarding public works project contracts.

Whereas, Reverse auctions give vendors the opportunity to openly bid against each other the lowest price they are willing to sell specified goods and services, and promise to yield the lowest market price to buyers; and

Whereas, Common Council File Number 101210, passed on March 23, 2011, amended the City Charter to give the City Purchasing Director and the Commissioner of Public Works the authority to use reverse auctions for purchasing goods and services in an effort to help the City contain, and possibly reduce costs, and prudently manage City resources; and

Whereas, Recent changes to s. 66.0901(1m), Wis. Stats., are interpreted by the City Attorney as precluding the use of reverse auction bidding when awarding public works project contracts to construct, repair, remodel or improve public works or buildings, or to purchase supplies and material for such projects; and

Whereas, Public works project contracts, because of their large dollar value, represent significant potential savings to the City if awarded by reverse auction bidding practices; and

Whereas, Changing state statutes to allow the use of reverse auctions to award public works project contracts promises potential savings for the City and is in the City's best interest; and

Whereas, The Kettle Commission on State and Local Finance recommended that the use reverse actions could save municipalities money on purchases; and

Whereas, The State of Wisconsin has conducted reverse auctions on a limited basis in the past to save money on the purchase of supplies and services; and

Whereas, The present State Administration has shown an interest in providing municipalities the tools cities need to save money on purchases and balance local budgets in the face of state funding cuts; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, That the Intergovernmental Relations Division - Department of Administration is directed to seek introduction and passage of state legislation allowing the use of reverse action bidding when awarding public works project contracts to construct, repair, remodel or improve public works or buildings, or to purchase supplies and material for such projects.

LRB 134169-1
Aaron Cadle
11/29/2011