



CITY OF KENNER

PRESS RELEASE

MICHAEL S. YENNI
MAYOR

FOR IMMEDIATE RELEASE

Mayor Vetoes Legislation to Avert Potential Costly Legal Action

Kenner, LA – April 29, 2013

Kenner Mayor Michael Yenni has vetoed council legislation authorizing a contract with a non-responsive bidder. Legislation passed by the Council at their April 18, 2013 meeting awarded a bid to a non-responsive bidder, Cimsco Inc., regarding a PVC pipe contract.

The original contract was placed on the Council's agenda for first reading on February 21st. The responsive bidder, Quality Sitework Materials, was to be awarded the "as needed basis 2-year contract for PVC pipe and fittings"; the cap on the contract was placed at \$100,000. When up for acceptance on March 7th, Councilman Keith Reynaud deferred the item for one meeting. "I have some questions that I need to get answered not only from the administration but from the bidders on this," said Reynaud.

The councilman's questions were related to the low bidder not being accepted. The Council was advised by City Attorney Keith Conley that the low bidder, Cimsco Inc., was deemed non-responsive because they included an escalation clause in their bid which was explicitly prohibited in the bid specifications. The purpose of negating the escalation clause was to hold prices firm for the full two year contract. Additional correspondence advising the same was administered to the Council by Public Works Director Jose Gonzalez.

When the item returned for adoption on March 21st, the council deferred the item indefinitely.

On the April 4th agenda, legislation accepting the non-responsive bidder, Cimsco Inc., was put on for first reading; in addition to awarding the contract to a different vendor, the proposed legislation replaced the language of "responsive bid" to "lowest bidder." The legislation authorizing the mayor to accept the revised bid from the non-responsive bidder passed unanimously at the April 18th council meeting.

CAO Mike Quigley has concerns regarding this incident as it will affect future business relationships between the private sector and the city. "In addition to the legal aspect, we don't want to set a precedent. We have, without fail, followed state bid law in the past and expect non-responsive bids will happen again in the future. Setting this precedent puts us in an awkward, untenable position in regard to the disposition of our duties."

Over 30 bidders during the past year have been deemed non-responsive for not following bid procedures; 12 bids over the past year ruled non-responsive were the apparent low bidder.

The total dollar amount spent for the purchase of PVC pipe over the past five years is \$25,440.00, averaging just under \$6,000 annually.

"While the bid does not constitute a "significant" dollar amount annually that is meaningless...the law is the law. I will not sign something that violates the bid law, puts the city at risk for costly litigation or compromises good government," said Yenni.

###