To: Accountability, Efficiency, Transparency

SENATE BILL NO. 2517

1	AN	ACT	TO	AMEND	SECTION	31-	-7 - 13,	MISSISS	IPPI	CODE	OF	1972	, TO
2	CREATE	THE I	MISS	SISSIPE	PI REGION	JAL	PRENEE	D DISAS	TER	CLEANU	JP A	ACT;	AND
3	FOR REL	ATED	PUF	RPOSES.									

- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- $\underline{\text{SECTION 1.}}$ (1) This section shall be known and may be cited
- 6 as the "Mississippi Regional Preneed Disaster Cleanup Act."
- 7 (2) For the purposes of this section, the following words
- 8 and phrases shall have the meanings ascribed in this section
- 9 unless the context clearly indicates otherwise:
- 10 (a) "Disaster-related" means arising out of a severe
- 11 weather event or other emergency as declared by the Governor.
- 12 (b) "Preneed" means a contract entered into in advance
- of the need for the goods or services, such that the contracted
- 14 entity is retained before the need for performance of the
- 15 contract.
- 16 **SECTION 2.** It is the intent and policy of the Mississippi
- 17 Legislature that county boards be authorized to jointly contract
- 18 for preneed disaster-related solid waste collection, disposal, and

- 19 monitoring so that the citizens of those counties will be quickly
- 20 and adequately served as the community recovers from the disaster.
- 21 **SECTION 3.** Section 31-7-13, Mississippi Code of 1972, is
- 22 amended as follows:
- 23 31-7-13. All agencies and governing authorities shall
- 24 purchase their commodities and printing; contract for garbage
- 25 collection or disposal; contract for solid waste collection or
- 26 disposal; contract for sewage collection or disposal; contract for
- 27 public construction; and contract for rentals as herein provided.
- 28 (a) Bidding procedure for purchases not over \$5,000.00.
- 29 Purchases which do not involve an expenditure of more than Five
- 30 Thousand Dollars (\$5,000.00), exclusive of freight or shipping
- 31 charges, may be made without advertising or otherwise requesting
- 32 competitive bids. However, nothing contained in this paragraph
- 33 (a) shall be construed to prohibit any agency or governing
- 34 authority from establishing procedures which require competitive
- 35 bids on purchases of Five Thousand Dollars (\$5,000.00) or less.
- 36 (b) Bidding procedure for purchases over \$5,000.00 but
- 37 **not over \$75,000.00.** Purchases which involve an expenditure of
- 38 more than Five Thousand Dollars (\$5,000.00) but not more than
- 39 Seventy-five Thousand Dollars (\$75,000.00), exclusive of freight
- 40 and shipping charges, may be made from the lowest and best bidder
- 41 without publishing or posting advertisement for bids, provided at
- 42 least two (2) competitive written bids have been obtained. Any
- 43 state agency or community/junior college purchasing commodities or

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    procuring construction pursuant to this paragraph (b) may
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    authorize its purchasing agent, or his designee, to accept the
    lowest competitive written bid under Seventy-five Thousand Dollars
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    ($75,000.00). Any governing authority purchasing commodities
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    pursuant to this paragraph (b) may authorize its purchasing agent,
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    or his designee, with regard to governing authorities other than
    counties, or its purchase clerk, or his designee, with regard to
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    counties, to accept the lowest and best competitive written bid.
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    Such authorization shall be made in writing by the governing
    authority and shall be maintained on file in the primary office of
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    the agency and recorded in the official minutes of the governing
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    authority, as appropriate. The purchasing agent or the purchase
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    clerk, or his designee, as the case may be, and not the governing
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    authority, shall be liable for any penalties and/or damages as may
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    be imposed by law for any act or omission of the purchasing agent
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    or purchase clerk, or his designee, constituting a violation of
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    law in accepting any bid without approval by the governing
    authority. The term "competitive written bid" shall mean a bid
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    submitted on a bid form furnished by the buying agency or
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    governing authority and signed by authorized personnel
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    representing the vendor, or a bid submitted on a vendor's
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    letterhead or identifiable bid form and signed by authorized
    personnel representing the vendor. "Competitive" shall mean that
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    the bids are developed based upon comparable identification of the
    needs and are developed independently and without knowledge of
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- 69 other bids or prospective bids. Any bid item for construction in 70 excess of Five Thousand Dollars (\$5,000.00) shall be broken down 71 by components to provide detail of component description and 72 These details shall be submitted with the written bids pricing. 73 and become part of the bid evaluation criteria. Bids may be 74 submitted by facsimile, electronic mail or other generally 75 accepted method of information distribution. Bids submitted by 76 electronic transmission shall not require the signature of the 77 vendor's representative unless required by agencies or governing 78 authorities.
- 79 (c) Bidding procedure for purchases over \$75,000.00.
- 80 (i) Publication requirement.

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- 82 more than Seventy-five Thousand Dollars (\$75,000.00), exclusive of
- 83 freight and shipping charges, may be made from the lowest and best
- 84 bidder after advertising for competitive bids once each week for
- 85 two (2) consecutive weeks in a regular newspaper published in the
- 86 county or municipality in which such agency or governing authority
- 87 is located. However, all American Recovery and Reinvestment Act
- 98 projects in excess of Twenty-five Thousand Dollars (\$25,000.00)
- 89 shall be bid. All references to American Recovery and
- 90 Reinvestment Act projects in this section shall not apply to
- 91 programs identified in Division B of the American Recovery and
- 92 Reinvestment Act.

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Purchases which involve an expenditure of

93	2. Reverse auctions shall be the primary
94	method for receiving bids during the bidding process. If a
95	purchasing entity determines that a reverse auction is not in the
96	best interest of the state, then that determination must be
97	approved by the Public Procurement Review Board. The purchasing
98	entity shall submit a detailed explanation of why a reverse
99	auction would not be in the best interest of the state and present
100	an alternative process to be approved by the Public Procurement
101	Review Board. If the Public Procurement Review Board authorizes
102	the purchasing entity to solicit bids with a method other than
103	reverse auction, then the purchasing entity may designate the
104	other methods by which the bids will be received, including, but
105	not limited to, bids sealed in an envelope, bids received
106	electronically in a secure system, or bids received by any other
107	method that promotes open competition and has been approved by the
108	Office of Purchasing and Travel. However, reverse auction shall
109	not be used for any public contract for design, construction,
110	improvement, repair or remodeling of any public facilities,
111	including the purchase of materials, supplies, equipment or goods
112	for same and including buildings, roads and bridges. The Public
113	Procurement Review Board must approve any contract entered into by
114	alternative process. The provisions of this item 2 shall not
115	apply to the individual state institutions of higher learning.
116	The provisions of this item 2 requiring reverse auction as the
117	primary method of receiving bids shall not apply to term contract

119 purchasing entity may, in its discretion, utilize reverse auction 120 for such purchases. The provisions of this item 2 shall not apply 121 to individual public schools, including public charter schools and public school districts, only when purchasing copyrighted 122 123 educational supplemental materials and software as a service 124 product. For such purchases, a local school board may authorize a 125 purchasing entity in its jurisdiction to use a Request for 126 Qualifications which promotes open competition and meets the requirements of the Office of Purchasing and Travel. 127 128 3. The date as published for the bid opening 129 shall not be less than seven (7) working days after the last published notice; however, if the purchase involves a construction 130 131 project in which the estimated cost is in excess of Seventy-five 132 Thousand Dollars (\$75,000.00), such bids shall not be opened in 133 less than fifteen (15) working days after the last notice is 134 published and the notice for the purchase of such construction shall be published once each week for two (2) consecutive weeks. 135 136 However, all American Recovery and Reinvestment Act projects in 137 excess of Twenty-five Thousand Dollars (\$25,000.00) shall be bid. 138 For any projects in excess of Twenty-five Thousand Dollars 139 (\$25,000.00) under the American Recovery and Reinvestment Act, 140 publication shall be made one (1) time and the bid opening for construction projects shall not be less than ten (10) working days 141 after the date of the published notice. The notice of intention 142

purchases as provided in paragraph (n) of this section; however, a

143	to let contracts or purchase equipment shall state the time and
144	place at which bids shall be received, list the contracts to be
145	made or types of equipment or supplies to be purchased, and, if
146	all plans and/or specifications are not published, refer to the
147	plans and/or specifications on file. If there is no newspaper
148	published in the county or municipality, then such notice shall be
149	given by posting same at the courthouse, or for municipalities at
150	the city hall, and at two (2) other public places in the county or
151	municipality, and also by publication once each week for two (2)
152	consecutive weeks in some newspaper having a general circulation
153	in the county or municipality in the above-provided manner. On
154	the same date that the notice is submitted to the newspaper for
155	publication, the agency or governing authority involved shall mail
156	written notice to, or provide electronic notification to the main
157	office of the Mississippi Procurement Technical Assistance Program
158	under the Mississippi Development Authority that contains the same
159	information as that in the published notice. Submissions received
160	by the Mississippi Procurement Technical Assistance Program for
161	projects funded by the American Recovery and Reinvestment Act
162	shall be displayed on a separate and unique Internet web page
163	accessible to the public and maintained by the Mississippi
164	Development Authority for the Mississippi Procurement Technical
165	Assistance Program. Those American Recovery and Reinvestment Act
166	related submissions shall be publicly posted within twenty-four
167	(24) hours of receipt by the Mississippi Development Authority and

168	the bid opening shall not occur until the submission has been
169	posted for ten (10) consecutive days. The Department of Finance
170	and Administration shall maintain information regarding contracts
171	and other expenditures from the American Recovery and Reinvestment
172	Act, on a unique Internet web page accessible to the public. The
173	Department of Finance and Administration shall promulgate rules
174	regarding format, content and deadlines, unless otherwise
175	specified by law, of the posting of award notices, contract
176	execution and subsequent amendments, links to the contract
177	documents, expenditures against the awarded contracts and general
178	expenditures of funds from the American Recovery and Reinvestment
179	Act. Within one (1) working day of the contract award, the agency
180	or governing authority shall post to the designated web page
181	maintained by the Department of Finance and Administration, notice
182	of the award, including the award recipient, the contract amount,
183	and a brief summary of the contract in accordance with rules
184	promulgated by the department. Within one (1) working day of the
185	contract execution, the agency or governing authority shall post
186	to the designated web page maintained by the Department of Finance
187	and Administration a summary of the executed contract and make a
188	copy of the appropriately redacted contract documents available
189	for linking to the designated web page in accordance with the
190	rules promulgated by the department. The information provided by
191	the agency or governing authority shall be posted to the web page

for the duration of the American Recovery and Reinvestment Act funding or until the project is completed, whichever is longer.

Bidding process amendment procedure. plans and/or specifications are published in the notification, then the plans and/or specifications may not be amended. If all plans and/or specifications are not published in the notification, then amendments to the plans/specifications, bid opening date, bid opening time and place may be made, provided that the agency or governing authority maintains a list of all prospective bidders who are known to have received a copy of the bid documents and all such prospective bidders are sent copies of all amendments. notification of amendments may be made via mail, facsimile, electronic mail or other generally accepted method of information distribution. No addendum to bid specifications may be issued within two (2) working days of the time established for the receipt of bids unless such addendum also amends the bid opening to a date not less than five (5) working days after the date of the addendum.

(iii) Filing requirement. In all cases involving governing authorities, before the notice shall be published or posted, the plans or specifications for the construction or equipment being sought shall be filed with the clerk of the board of the governing authority. In addition to these requirements, a bid file shall be established which shall indicate those vendors to whom such solicitations and specifications were issued, and

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217 such file shall also contain such information as is pertinent to 218 the bid.

(iv) Specification restrictions.

220 Specifications pertinent to such bidding 221 shall be written so as not to exclude comparable equipment of 222 domestic manufacture. However, if valid justification is 223 presented, the Department of Finance and Administration or the 224 board of a governing authority may approve a request for specific 225 equipment necessary to perform a specific job. Further, such justification, when placed on the minutes of the board of a 226 227 governing authority, may serve as authority for that governing 228 authority to write specifications to require a specific item of 229 equipment needed to perform a specific job. In addition to these 230 requirements, from and after July 1, 1990, vendors of relocatable 231 classrooms and the specifications for the purchase of such 232 relocatable classrooms published by local school boards shall meet 233 all pertinent regulations of the State Board of Education, 234 including prior approval of such bid by the State Department of 235 Education.

2. Specifications for construction projects
may include an allowance for commodities, equipment, furniture,
construction materials or systems in which prospective bidders are
instructed to include in their bids specified amounts for such
items so long as the allowance items are acquired by the vendor in
a commercially reasonable manner and approved by the

agency/governing authority. Such acquisitions shall not be made to circumvent the public purchasing laws.

244 Electronic bids. Agencies and governing (∇) authorities shall provide a secure electronic interactive system 245 246 for the submittal of bids requiring competitive bidding that shall 247 be an additional bidding option for those bidders who choose to 248 submit their bids electronically. The Department of Finance and 249 Administration shall provide, by regulation, the standards that 250 agencies must follow when receiving electronic bids. Agencies and 251 governing authorities shall make the appropriate provisions 252 necessary to accept electronic bids from those bidders who choose 253 to submit their bids electronically for all purchases requiring competitive bidding under this section. Any special condition or 254 255 requirement for the electronic bid submission shall be specified 256 in the advertisement for bids required by this section. Agencies 257 or governing authorities that are currently without available high 258 speed Internet access shall be exempt from the requirement of this 259 subparagraph (v) until such time that high speed Internet access 260 becomes available. Any county having a population of less than 261 twenty thousand (20,000) shall be exempt from the provisions of 262 this subparagraph (v). Any municipality having a population of less than ten thousand (10,000) shall be exempt from the 263 264 provisions of this subparagraph (v). The provisions of this 265 subparagraph (v) shall not require any bidder to submit bids electronically. When construction bids are submitted 266

267	electronically, the requirement for including a certificate of
268	responsibility, or a statement that the bid enclosed does not
269	exceed Fifty Thousand Dollars (\$50,000.00), on the exterior of the
270	bid envelope as indicated in Section 31-3-21(1) and (2) shall be
271	deemed in compliance with by including same as an attachment with
272	the electronic bid submittal.

(d) Lowest and best bid decision procedure.

274 (i)Decision procedure. Purchases may be made 275 from the lowest and best bidder. In determining the lowest and 276 best bid, freight and shipping charges shall be included. 277 Life-cycle costing, total cost bids, warranties, guaranteed 278 buy-back provisions and other relevant provisions may be included 279 in the best bid calculation. All best bid procedures for state 280 agencies must be in compliance with regulations established by the 281 Department of Finance and Administration. If any governing 282 authority accepts a bid other than the lowest bid actually 283 submitted, it shall place on its minutes detailed calculations and 284 narrative summary showing that the accepted bid was determined to 285 be the lowest and best bid, including the dollar amount of the 286 accepted bid and the dollar amount of the lowest bid. No agency 287 or governing authority shall accept a bid based on items not 288 included in the specifications.

289 (ii) Decision procedure for Certified Purchasing
290 Offices. In addition to the decision procedure set forth in
291 subparagraph (i) of this paragraph (d), Certified Purchasing

292	Offices may also use the following procedure: Purchases may be
293	made from the bidder offering the best value. In determining the
294	best value bid, freight and shipping charges shall be included.
295	Life-cycle costing, total cost bids, warranties, guaranteed
296	buy-back provisions, documented previous experience, training
297	costs and other relevant provisions, including, but not limited
298	to, a bidder having a local office and inventory located within
299	the jurisdiction of the governing authority, may be included in
300	the best value calculation. This provision shall authorize
301	Certified Purchasing Offices to utilize a Request For Proposals
302	(RFP) process when purchasing commodities. All best value
303	procedures for state agencies must be in compliance with
304	regulations established by the Department of Finance and
305	Administration. No agency or governing authority shall accept a
306	bid based on items or criteria not included in the specifications
307	(iii) Decision procedure for Mississippi
308	Landmarks. In addition to the decision procedure set forth in
309	subparagraph (i) of this paragraph (d), where purchase involves
310	renovation, restoration, or both, of the State Capitol Building or
311	any other historical building designated for at least five (5)
312	years as a Mississippi Landmark by the Board of Trustees of the
313	Department of Archives and History under the authority of Sections
314	39-7-7 and $39-7-11$, the agency or governing authority may use the
315	following procedure: Purchases may be made from the lowest and
316	best prequalified bidder. Prequalification of bidders shall be

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317	determined not less than fifteen (15) working days before the
318	first published notice of bid opening. Prequalification criteria
319	shall be limited to bidder's knowledge and experience in
320	historical restoration, preservation and renovation. In
321	determining the lowest and best bid, freight and shipping charges
322	shall be included. Life-cycle costing, total cost bids,
323	warranties, guaranteed buy-back provisions and other relevant
324	provisions may be included in the best bid calculation. All best
325	bid and prequalification procedures for state agencies must be in
326	compliance with regulations established by the Department of
327	Finance and Administration. If any governing authority accepts a
328	bid other than the lowest bid actually submitted, it shall place
329	on its minutes detailed calculations and narrative summary showing
330	that the accepted bid was determined to be the lowest and best
331	bid, including the dollar amount of the accepted bid and the
332	dollar amount of the lowest bid. No agency or governing authority
333	shall accept a bid based on items not included in the
334	specifications.

335 (iv) Construction project negotiations authority.

336 If the lowest and best bid is not more than ten percent (10%)

337 above the amount of funds allocated for a public construction or

338 renovation project, then the agency or governing authority shall

339 be permitted to negotiate with the lowest bidder in order to enter

340 into a contract for an amount not to exceed the funds allocated.

34 I	(e) Lease-purchase authorization. For the purposes of
342	this section, the term "equipment" shall mean equipment, furniture
343	and, if applicable, associated software and other applicable
344	direct costs associated with the acquisition. Any lease-purchase
345	of equipment which an agency is not required to lease-purchase
346	under the master lease-purchase program pursuant to Section
347	31-7-10 and any lease-purchase of equipment which a governing
348	authority elects to lease-purchase may be acquired by a
349	lease-purchase agreement under this paragraph (e). Lease-purchase
350	financing may also be obtained from the vendor or from a
351	third-party source after having solicited and obtained at least
352	two (2) written competitive bids, as defined in paragraph (b) of
353	this section, for such financing without advertising for such
354	bids. Solicitation for the bids for financing may occur before or
355	after acceptance of bids for the purchase of such equipment or,
356	where no such bids for purchase are required, at any time before
357	the purchase thereof. No such lease-purchase agreement shall be
358	for an annual rate of interest which is greater than the overall
359	maximum interest rate to maturity on general obligation
360	indebtedness permitted under Section 75-17-101, and the term of
361	such lease-purchase agreement shall not exceed the useful life of
362	equipment covered thereby as determined according to the upper
363	limit of the asset depreciation range (ADR) guidelines for the
364	Class Life Asset Depreciation Range System established by the
365	Internal Revenue Service pursuant to the United States Internal

366	Revenue Code and regulations thereunder as in effect on December
367	31, 1980, or comparable depreciation guidelines with respect to
368	any equipment not covered by ADR guidelines. Any lease-purchase
369	agreement entered into pursuant to this paragraph (e) may contain
370	any of the terms and conditions which a master lease-purchase
371	agreement may contain under the provisions of Section 31-7-10(5),
372	and shall contain an annual allocation dependency clause
373	substantially similar to that set forth in Section 31-7-10(8).
374	Each agency or governing authority entering into a lease-purchase
375	transaction pursuant to this paragraph (e) shall maintain with
376	respect to each such lease-purchase transaction the same
377	information as required to be maintained by the Department of
378	Finance and Administration pursuant to Section 31-7-10(13).
379	However, nothing contained in this section shall be construed to
380	permit agencies to acquire items of equipment with a total
381	acquisition cost in the aggregate of less than Ten Thousand
382	Dollars (\$10,000.00) by a single lease-purchase transaction. All
383	equipment, and the purchase thereof by any lessor, acquired by
384	lease-purchase under this paragraph and all lease-purchase
385	payments with respect thereto shall be exempt from all Mississipp
386	sales, use and ad valorem taxes. Interest paid on any
387	lease-purchase agreement under this section shall be exempt from
388	State of Mississippi income taxation.

Alternate bid authorization. When necessary to

ensure ready availability of commodities for public works and the

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timely completion of public projects, no more than two (2)
alternate bids may be accepted by a governing authority for
commodities. No purchases may be made through use of such
alternate bids procedure unless the lowest and best bidder cannot
deliver the commodities contained in his bid. In that event,
purchases of such commodities may be made from one (1) of the
bidders whose bid was accepted as an alternate.

Construction contract change authorization. event a determination is made by an agency or governing authority after a construction contract is let that changes or modifications to the original contract are necessary or would better serve the purpose of the agency or the governing authority, such agency or governing authority may, in its discretion, order such changes pertaining to the construction that are necessary under the circumstances without the necessity of further public bids; provided that such change shall be made in a commercially reasonable manner and shall not be made to circumvent the public purchasing statutes. In addition to any other authorized person, the architect or engineer hired by an agency or governing authority with respect to any public construction contract shall have the authority, when granted by an agency or governing authority, to authorize changes or modifications to the original contract without the necessity of prior approval of the agency or governing authority when any such change or modification is less than one percent (1%) of the total contract amount. The agency or

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416	governin	ig autho	ority ma	y 1:	imit	the	number,	manner	or	frequency	of
417	such eme	rgency	changes	or	modi	fica	ations.				

- Petroleum purchase alternative. In addition to 418 other methods of purchasing authorized in this chapter, when any 419 420 agency or governing authority shall have a need for gas, diesel 421 fuel, oils and/or other petroleum products in excess of the amount 422 set forth in paragraph (a) of this section, such agency or 423 governing authority may purchase the commodity after having 424 solicited and obtained at least two (2) competitive written bids, 425 as defined in paragraph (b) of this section. If two (2) 426 competitive written bids are not obtained, the entity shall comply 427 with the procedures set forth in paragraph (c) of this section. 428 In the event any agency or governing authority shall have 429 advertised for bids for the purchase of gas, diesel fuel, oils and 430 other petroleum products and coal and no acceptable bids can be 431 obtained, such agency or governing authority is authorized and 432 directed to enter into any negotiations necessary to secure the 433 lowest and best contract available for the purchase of such 434 commodities.
 - (i) Road construction petroleum products price

 adjustment clause authorization. Any agency or governing

 authority authorized to enter into contracts for the construction,

 maintenance, surfacing or repair of highways, roads or streets,

 may include in its bid proposal and contract documents a price

 adjustment clause with relation to the cost to the contractor,

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including taxes, based upon an industry-wide cost index, of petroleum products including asphalt used in the performance or execution of the contract or in the production or manufacture of materials for use in such performance. Such industry-wide index shall be established and published monthly by the Mississippi Department of Transportation with a copy thereof to be mailed, upon request, to the clerks of the governing authority of each municipality and the clerks of each board of supervisors throughout the state. The price adjustment clause shall be based on the cost of such petroleum products only and shall not include any additional profit or overhead as part of the adjustment. The bid proposals or document contract shall contain the basis and methods of adjusting unit prices for the change in the cost of such petroleum products.

(j) State agency emergency purchase procedure. If the governing board or the executive head, or his designees, of any agency of the state shall determine that an emergency exists in regard to the purchase of any commodities or repair contracts, so that the delay incident to giving opportunity for competitive bidding would be detrimental to the interests of the state, then the head of such agency, or his designees, shall file with the Department of Finance and Administration (i) a statement explaining the conditions and circumstances of the emergency, which shall include a detailed description of the events leading up to the situation and the negative impact to the entity if the

466	purchase is made following the statutory requirements set forth in
467	paragraph (a), (b) or (c) of this section, and (ii) a certified
468	copy of the appropriate minutes of the board of such agency
469	requesting the emergency purchase, if applicable. Upon receipt of
470	the statement and applicable board certification, the State Fiscal
471	Officer, or his designees, may, in writing, authorize the purchase
472	or repair without having to comply with competitive bidding
473	requirements.

If the governing board or the executive head, or his designees, of any agency determines that an emergency exists in regard to the purchase of any commodities or repair contracts, so that the delay incident to giving opportunity for competitive bidding would threaten the health or safety of any person, or the preservation or protection of property, then the provisions in this section for competitive bidding shall not apply, and any officer or agent of the agency having general or specific authority for making the purchase or repair contract shall approve the bill presented for payment, and he shall certify in writing from whom the purchase was made, or with whom the repair contract was made.

Total purchases made under this paragraph (j) shall only be
for the purpose of meeting needs created by the emergency
situation. Following the emergency purchase, documentation of the
purchase, including a description of the commodity purchased, the
purchase price thereof and the nature of the emergency shall be

491	filed with the Department of Finance and Administration.	Any
492	contract awarded pursuant to this paragraph (j) shall not	exceed a
493	term of one (1) year.	

Purchases under the grant program established under Section 37-68-7 in response to COVID-19 and the directive that school districts create a distance learning plan and fulfill technology needs expeditiously shall be deemed an emergency purchase for purposes of this paragraph (j).

(k) Governing authority emergency purchase procedure.

If the governing authority, or the governing authority acting through its designee, shall determine that an emergency exists in regard to the purchase of any commodities or repair contracts, so that the delay incident to giving opportunity for competitive bidding would be detrimental to the interest of the governing authority, then the provisions herein for competitive bidding shall not apply and any officer or agent of such governing authority having general or special authority therefor in making such purchase or repair shall approve the bill presented therefor, and he shall certify in writing thereon from whom such purchase was made, or with whom such a repair contract was made. At the board meeting next following the emergency purchase or repair contract, documentation of the purchase or repair contract, including a description of the commodity purchased, the price thereof and the nature of the emergency shall be presented to the board and shall be placed on the minutes of the board of such

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516	governing authority. Purchases under the grant program
517	established under Section 37-68-7 in response to COVID-19 and the
518	directive that school districts create a distance learning plan
519	and fulfill technology needs expeditiously shall be deemed an
520	emergency purchase for purposes of this paragraph (k).

- (1)Hospital purchase, lease-purchase and lease authorization.
- The commissioners or board of trustees of any 523 (i) 524 public hospital may contract with such lowest and best bidder for 525 the purchase or lease-purchase of any commodity under a contract 526 of purchase or lease-purchase agreement whose obligatory payment 527 terms do not exceed five (5) years.
 - (ii) In addition to the authority granted in subparagraph (i) of this paragraph (l), the commissioners or board of trustees is authorized to enter into contracts for the lease of equipment or services, or both, which it considers necessary for the proper care of patients if, in its opinion, it is not financially feasible to purchase the necessary equipment or services. Any such contract for the lease of equipment or services executed by the commissioners or board shall not exceed a maximum of five (5) years' duration and shall include a cancellation clause based on unavailability of funds. If such cancellation clause is exercised, there shall be no further liability on the part of the lessee. Any such contract for the lease of equipment or services executed on behalf of the

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541	commissioners	or :	board	that	complies	with	the	pro	visions	of t	his
542	subparagraph (ii)	shall	be	excepted	from	the :	bid	require	ments	set
543	forth in this	sec	tion.								

- 544 (m) **Exceptions from bidding requirements.** Excepted 545 from bid requirements are:
- (i) Purchasing agreements approved by department.

 Purchasing agreements, contracts and maximum price regulations

 executed or approved by the Department of Finance and

 Administration.
 - equipment, when such repairs are made by repair facilities in the private sector; however, engines, transmissions, rear axles and/or other such components shall not be included in this exemption when replaced as a complete unit instead of being repaired and the need for such total component replacement is known before disassembly of the component; however, invoices identifying the equipment, specific repairs made, parts identified by number and name, supplies used in such repairs, and the number of hours of labor and costs therefor shall be required for the payment for such repairs.
- 561 (iii) **In-house equipment repairs.** Purchases of parts for repairs to equipment, when such repairs are made by personnel of the agency or governing authority; however, entire assemblies, such as engines or transmissions, shall not be

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565	included	in this	exemption	when the	entire	assembly	is	being
566	replaced	instead	of being	repaired.				

- (iv) Raw gravel or dirt. Raw unprocessed deposits
 of gravel or fill dirt which are to be removed and transported by
 the purchaser.
- 570 (∇) Governmental equipment auctions. 571 vehicles or other equipment purchased from a federal agency or 572 authority, another governing authority or state agency of the 573 State of Mississippi, or any governing authority or state agency of another state at a public auction held for the purpose of 574 575 disposing of such vehicles or other equipment. Any purchase by a 576 governing authority under the exemption authorized by this 577 subparagraph (v) shall require advance authorization spread upon 578 the minutes of the governing authority to include the listing of 579 the item or items authorized to be purchased and the maximum bid 580 authorized to be paid for each item or items.
- 581 (vi) Intergovernmental sales and transfers.
- Purchases, sales, transfers or trades by governing authorities or state agencies when such purchases, sales, transfers or trades are made by a private treaty agreement or through means of negotiation, from any federal agency or authority, another governing authority or state agency of the State of Mississippi, or any state agency or governing authority of another state. Nothing in this section shall permit such purchases through public
 - auction except as provided for in subparagraph (v) of this

590 paragraph (m). It is the intent of this section to allow 591 governmental entities to dispose of and/or purchase commodities 592 from other governmental entities at a price that is agreed to by 593 both parties. This shall allow for purchases and/or sales at 594 prices which may be determined to be below the market value if the 595 selling entity determines that the sale at below market value is 596 in the best interest of the taxpayers of the state. Governing 597 authorities shall place the terms of the agreement and any 598 justification on the minutes, and state agencies shall obtain approval from the Department of Finance and Administration, prior 599 600 to releasing or taking possession of the commodities.

(vii) **Perishable supplies or food**. Perishable supplies or food purchased for use in connection with hospitals, the school lunch programs, homemaking programs and for the feeding of county or municipal prisoners.

(viii) Single-source items. Noncompetitive items available from one (1) source only. In connection with the purchase of noncompetitive items only available from one (1) source, a certification of the conditions and circumstances requiring the purchase shall be filed by the agency with the Department of Finance and Administration and by the governing authority with the board of the governing authority. Upon receipt of that certification the Department of Finance and Administration or the board of the governing authority, as the case may be, may, in writing, authorize the purchase, which authority shall be noted

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615	on the minutes of the body at the next regular meeting thereafter.
616	In those situations, a governing authority is not required to
617	obtain the approval of the Department of Finance and
618	Administration. Following the purchase, the executive head of the
619	state agency, or his designees, shall file with the Department of
620	Finance and Administration, documentation of the purchase,
621	including a description of the commodity purchased, the purchase
622	price thereof and the source from whom it was purchased.
623	(ix) Waste disposal facility construction
624	contracts. Construction of incinerators and other facilities for
625	disposal of solid wastes in which products either generated
626	therein, such as steam, or recovered therefrom, such as materials
627	for recycling, are to be sold or otherwise disposed of; however,
628	in constructing such facilities, a governing authority or agency
629	shall publicly issue requests for proposals, advertised for in the
630	same manner as provided herein for seeking bids for public
631	construction projects, concerning the design, construction,
632	ownership, operation and/or maintenance of such facilities,
633	wherein such requests for proposals when issued shall contain
634	terms and conditions relating to price, financial responsibility,
635	technology, environmental compatibility, legal responsibilities
636	and such other matters as are determined by the governing
637	authority or agency to be appropriate for inclusion; and after
638	responses to the request for proposals have been duly received,
639	the governing authority or agency may select the most qualified

640	proposal or proposals on the basis of price, technology and other
641	relevant factors and from such proposals, but not limited to the
642	terms thereof, negotiate and enter contracts with one or more of
643	the persons or firms submitting proposals.
644	(x) Hospital group purchase contracts. Supplies,
645	commodities and equipment purchased by hospitals through group
646	purchase programs pursuant to Section 31-7-38.
647	(xi) Information technology products. Purchases
648	of information technology products made by governing authorities
649	under the provisions of purchase schedules, or contracts executed
650	or approved by the Mississippi Department of Information
651	Technology Services and designated for use by governing
652	authorities.
653	(xii) Energy efficiency services and equipment.
654	Energy efficiency services and equipment acquired by school
655	districts, community and junior colleges, institutions of higher
656	learning and state agencies or other applicable governmental
657	entities on a shared-savings, lease or lease-purchase basis
658	pursuant to Section 31-7-14.
659	(xiii) Municipal electrical utility system fuel.
660	Purchases of coal and/or natural gas by municipally owned electric
661	power generating systems that have the capacity to use both coal
662	and natural gas for the generation of electric power.
663	(xiv) Library books and other reference materials.

Purchases by libraries or for libraries of books and periodicals;

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665	processed film, videocassette tapes, filmstrips and slides;
666	recorded audiotapes, cassettes and diskettes; and any such items
667	as would be used for teaching, research or other information
668	distribution; however, equipment such as projectors, recorders,
669	audio or video equipment, and monitor televisions are not exempt
670	under this subparagraph.
671	(xv) Unmarked vehicles. Purchases of unmarked
672	vehicles when such purchases are made in accordance with
673	purchasing regulations adopted by the Department of Finance and
674	Administration pursuant to Section 31-7-9(2).
675	(xvi) Election ballots. Purchases of ballots
676	printed pursuant to Section 23-15-351.
677	(xvii) Multichannel interactive video systems.
678	From and after July 1, 1990, contracts by Mississippi Authority
679	for Educational Television with any private educational
680	institution or private nonprofit organization whose purposes are
681	educational in regard to the construction, purchase, lease or
682	lease-purchase of facilities and equipment and the employment of
683	personnel for providing multichannel interactive video systems
684	(ITSF) in the school districts of this state.
685	(xviii) Purchases of prison industry products by
686	the Department of Corrections, regional correctional facilities or

privately owned prisons. Purchases made by the Mississippi

Department of Corrections, regional correctional facilities or

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689	privately owned prisons involving any item that is manufactured,
690	processed, grown or produced from the state's prison industries.
691	(xix) Undercover operations equipment. Purchases
692	of surveillance equipment or any other high-tech equipment to be
693	used by law enforcement agents in undercover operations, provided
694	that any such purchase shall be in compliance with regulations
695	established by the Department of Finance and Administration.
696	(xx) Junior college books for rent. Purchases by
697	community or junior colleges of textbooks which are obtained for
698	the purpose of renting such books to students as part of a book
699	service system.
700	(xxi) Certain school district purchases.
701	Purchases of commodities made by school districts from vendors
702	with which any levying authority of the school district, as
703	defined in Section 37-57-1, has contracted through competitive
704	bidding procedures for purchases of the same commodities.
705	(xxii) Garbage, solid waste and sewage contracts.
706	Contracts for garbage collection or disposal, contracts for solid
707	waste collection or disposal and contracts for sewage collection
708	or disposal.
709	(xxiii) Municipal water tank maintenance

contracts. Professional maintenance program contracts for the

repair or maintenance of municipal water tanks, which provide

professional services needed to maintain municipal water storage

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713	tanks	for	a	fixed	annual	fee	for	а	duration	of	two	(2)	or	more
714	years.													

- 715 (xxiv) Purchases of Mississippi Industries for the 716 Blind products. Purchases made by state agencies or governing 717 authorities involving any item that is manufactured, processed or 718 produced by the Mississippi Industries for the Blind.
- 719 (xxv) **Purchases of state-adopted textbooks.**
- 720 Purchases of state-adopted textbooks by public school districts.
- 721 (xxvi) Certain purchases under the Mississippi
- 722 Major Economic Impact Act. Contracts entered into pursuant to the
- 723 provisions of Section 57-75-9(2), (3) and (4).
- 724 (xxvii) Used heavy or specialized machinery or
- 725 equipment for installation of soil and water conservation
- 726 **practices purchased at auction.** Used heavy or specialized
- 727 machinery or equipment used for the installation and
- 728 implementation of soil and water conservation practices or
- 729 measures purchased subject to the restrictions provided in
- 730 Sections 69-27-331 through 69-27-341. Any purchase by the State
- 731 Soil and Water Conservation Commission under the exemption
- 732 authorized by this subparagraph shall require advance
- 733 authorization spread upon the minutes of the commission to include
- 734 the listing of the item or items authorized to be purchased and
- 735 the maximum bid authorized to be paid for each item or items.

737	Leases by hospitals of equipment or services if the leases are in
738	compliance with paragraph (1)(ii).
739	(xxix) Purchases made pursuant to qualified
740	cooperative purchasing agreements. Purchases made by certified
741	purchasing offices of state agencies or governing authorities
742	under cooperative purchasing agreements previously approved by the
743	Office of Purchasing and Travel and established by or for any
744	municipality, county, parish or state government or the federal
745	government, provided that the notification to potential
746	contractors includes a clause that sets forth the availability of
747	the cooperative purchasing agreement to other governmental
748	entities. Such purchases shall only be made if the use of the
749	cooperative purchasing agreements is determined to be in the best
750	interest of the governmental entity.
751	(xxx) School yearbooks. Purchases of school
752	yearbooks by state agencies or governing authorities; provided,
753	however, that state agencies and governing authorities shall use
754	for these purchases the RFP process as set forth in the
755	Mississippi Procurement Manual adopted by the Office of Purchasing
756	and Travel.
757	(xxxi) Design-build method of contracting and
758	certain other contracts. Contracts entered into under the
759	provisions of Section 31-7-13.1, 37-101-44 or 65-1-85.

(xxviii) Hospital lease of equipment or services.

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roads and	bridge	construction
1	l roads and	l roads and bridge

- 761 **projects.** Contracts entered into under the provisions of Section
- 762 65-43-1 or 65-43-3.
- 763 (xxxiii) Certain purchases under Section 57-1-221.
- 764 Contracts entered into pursuant to the provisions of Section
- 765 57-1-221.
- 766 (xxxiv) Certain transfers made pursuant to the
- 767 **provisions of Section 57-105-1(7).** Transfers of public property
- 768 or facilities under Section 57-105-1(7) and construction related
- 769 to such public property or facilities.
- 770 (xxxv) Certain purchases or transfers entered into
- 771 with local electrical power associations. Contracts or agreements
- 772 entered into under the provisions of Section 55-3-33.
- 773 (xxxvi) Certain purchases by an academic medical
- 774 center or health sciences school. Purchases by an academic
- 775 medical center or health sciences school, as defined in Section
- 776 37-115-50, of commodities that are used for clinical purposes and
- 777 1. intended for use in the diagnosis of disease or other
- 778 conditions or in the cure, mitigation, treatment or prevention of
- 779 disease, and 2. medical devices, biological, drugs and
- 780 radiation-emitting devices as defined by the United States Food
- 781 and Drug Administration.
- 782 (xxxvii) Certain purchases made under the Alyce G.
- 783 Clarke Mississippi Lottery Law. Contracts made by the Mississippi

784	Lottery	Corporation	pursuant	to	the	Alyce	G.	Clarke	Mississippi
785	Lottery	Law.							

- of Health and the Department of Revenue. Purchases made by the Department of Health and/or the Department of Revenue solely for the purpose of fulfilling their respective responsibilities under the Mississippi Medical Cannabis Act. This subparagraph shall stand repealed on June 30, 2023.
- 792 (n) **Term contract authorization.** All contracts for the 793 purchase of:
 - equipment and public construction (including, but not limited to, repair and maintenance), may be let for periods of not more than sixty (60) months in advance, subject to applicable statutory provisions prohibiting the letting of contracts during specified periods near the end of terms of office. Term contracts for a period exceeding twenty-four (24) months shall also be subject to ratification or cancellation by governing authority boards taking office subsequent to the governing authority board entering the contract.
 - (ii) Bid proposals and contracts may include price adjustment clauses with relation to the cost to the contractor based upon a nationally published industry-wide or nationally published and recognized cost index. The cost index used in a price adjustment clause shall be determined by the Department of

809	Finance and Administration for the state agencies and by the
810	governing board for governing authorities. The bid proposal and
811	contract documents utilizing a price adjustment clause shall
812	contain the basis and method of adjusting unit prices for the
813	change in the cost of such commodities, equipment and public
814	construction.

Purchase law violation prohibition and vendor (\circ) penalty. No contract or purchase as herein authorized shall be made for the purpose of circumventing the provisions of this section requiring competitive bids, nor shall it be lawful for any person or concern to submit individual invoices for amounts within those authorized for a contract or purchase where the actual value of the contract or commodity purchased exceeds the authorized amount and the invoices therefor are split so as to appear to be authorized as purchases for which competitive bids are not required. Submission of such invoices shall constitute a misdemeanor punishable by a fine of not less than Five Hundred Dollars (\$500.00) nor more than One Thousand Dollars (\$1,000.00), or by imprisonment for thirty (30) days in the county jail, or both such fine and imprisonment. In addition, the claim or claims submitted shall be forfeited.

(p) Electrical utility petroleum-based equipment

purchase procedure. When in response to a proper advertisement

therefor, no bid firm as to price is submitted to an electric

utility for power transformers, distribution transformers, power

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834	breakers,	reclosers	or other	articles	containin	g a petr	coleum	
835	product,	the electri	c utility	y may acce	ept the lo	west and	d best	bid
836	therefor	although th	ne price i	is not fir	cm.			

Fuel management system bidding procedure. 837 838 governing authority or agency of the state shall, before 839 contracting for the services and products of a fuel management or 840 fuel access system, enter into negotiations with not fewer than 841 two (2) sellers of fuel management or fuel access systems for 842 competitive written bids to provide the services and products for 843 the systems. In the event that the governing authority or agency 844 cannot locate two (2) sellers of such systems or cannot obtain 845 bids from two (2) sellers of such systems, it shall show proof 846 that it made a diligent, good-faith effort to locate and negotiate 847 with two (2) sellers of such systems. Such proof shall include, 848 but not be limited to, publications of a request for proposals and 849 letters soliciting negotiations and bids. For purposes of this 850 paragraph (q), a fuel management or fuel access system is an 851 automated system of acquiring fuel for vehicles as well as 852 management reports detailing fuel use by vehicles and drivers, and 853 the term "competitive written bid" shall have the meaning as 854 defined in paragraph (b) of this section. Governing authorities 855 and agencies shall be exempt from this process when contracting 856 for the services and products of fuel management or fuel access 857 systems under the terms of a state contract established by the 858 Office of Purchasing and Travel.

859	(r) Solid waste contract proposal procedure. Before
860	entering into any contract for garbage collection or disposal,
861	contract for solid waste collection or disposal or contract for
862	sewage collection or disposal, which involves an expenditure of
863	more than Seventy-five Thousand Dollars (\$75,000.00), a governing
864	authority or agency shall issue publicly a request for proposals
865	concerning the specifications for such services which shall be
866	advertised for in the same manner as provided in this section for
867	seeking bids for purchases which involve an expenditure of more
868	than the amount provided in paragraph (c) of this section. Any
869	request for proposals when issued shall contain terms and
870	conditions relating to price, financial responsibility,
871	technology, legal responsibilities and other relevant factors as
872	are determined by the governing authority or agency to be
873	appropriate for inclusion; all factors determined relevant by the
874	governing authority or agency or required by this paragraph (r)
875	shall be duly included in the advertisement to elicit proposals.
876	After responses to the request for proposals have been duly
877	received, the governing authority or agency shall select the most
878	qualified proposal or proposals on the basis of price, technology
879	and other relevant factors and from such proposals, but not
880	limited to the terms thereof, negotiate and enter into contracts
881	with one or more of the persons or firms submitting proposals. If
882	the governing authority or agency deems none of the proposals to
883	be qualified or otherwise acceptable, the request for proposals

884 process may be reinitiated. Notwithstanding any other provisions 885 of this paragraph, where a county with at least thirty-five 886 thousand (35,000) nor more than forty thousand (40,000) 887 population, according to the 1990 federal decennial census, owns 888 or operates a solid waste landfill, the governing authorities of 889 any other county or municipality may contract with the governing 890 authorities of the county owning or operating the landfill, 891 pursuant to a resolution duly adopted and spread upon the minutes 892 of each governing authority involved, for garbage or solid waste collection or disposal services through contract negotiations. 893

(s) Minority set-aside authorization. Notwithstanding any provision of this section to the contrary, any agency or governing authority, by order placed on its minutes, may, in its discretion, set aside not more than twenty percent (20%) of its anticipated annual expenditures for the purchase of commodities from minority businesses; however, all such set-aside purchases shall comply with all purchasing regulations promulgated by the Department of Finance and Administration and shall be subject to bid requirements under this section. Set-aside purchases for which competitive bids are required shall be made from the lowest and best minority business bidder. For the purposes of this paragraph, the term "minority business" means a business which is owned by a majority of persons who are United States citizens or permanent resident aliens (as defined by the Immigration and Naturalization Service) of the United States, and who are Asian,

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909	Black, Hispanic or Native American, according to the following
910	definitions:
911	(i) "Asian" means persons having origins in any of
912	the original people of the Far East, Southeast Asia, the Indian
913	subcontinent, or the Pacific Islands.
914	(ii) "Black" means persons having origins in any
915	black racial group of Africa.
916	(iii) "Hispanic" means persons of Spanish or
917	Portuguese culture with origins in Mexico, South or Central
918	America, or the Caribbean Islands, regardless of race.
919	(iv) "Native American" means persons having
920	origins in any of the original people of North America, including
921	American Indians, Eskimos and Aleuts.
922	(t) Construction punch list restriction. The
923	architect, engineer or other representative designated by the
924	agency or governing authority that is contracting for public
925	construction or renovation may prepare and submit to the
926	contractor only one (1) preliminary punch list of items that do
927	not meet the contract requirements at the time of substantial
928	completion and one (1) final list immediately before final
929	completion and final payment.
930	(u) Procurement of construction services by state
931	institutions of higher learning. Contracts for privately financed
932	construction of auxiliary facilities on the campus of a state

institution of higher learning may be awarded by the Board of

934	Trustees of State Institutions of Higher Learning to the lowest
935	and best bidder, where sealed bids are solicited, or to the
936	offeror whose proposal is determined to represent the best value
937	to the citizens of the State of Mississippi, where requests for
938	proposals are solicited.

- other public contracts. In any solicitation for bids to perform public construction or other public contracts to which this section applies, including, but not limited to, contracts for repair and maintenance, for which the contract will require insurance coverage in an amount of not less than One Million Dollars (\$1,000,000.00), bidders shall be permitted to either submit proof of current insurance coverage in the specified amount or demonstrate ability to obtain the required coverage amount of insurance if the contract is awarded to the bidder. Proof of insurance coverage shall be submitted within five (5) business days from bid acceptance.
- 951 (w) **Purchase authorization clarification.** Nothing in 952 this section shall be construed as authorizing any purchase not 953 authorized by law.
- 954 (x) Mississippi Regional Preneed Disaster Cleanup Act.

 955 Any combination of two (2) or more county boards of supervisors

 956 may contract by joint agreement for the preneed purchase of labor,

 957 services, work, materials, equipment, supplies or other personal

 958 property for disaster-related solid waste collection, disposal or

959	monitoring. Any such joint agreement shall be entered into by
960	each of the boards which shall set forth the manner of awarding
961	such a contract, the method of payment by each contracting board,
962	and any other matter deemed necessary to carry out the purposes of
963	the agreement. Such contracts may be entered into only for a
964	maximum term of two (2) years and only after having solicited bids
965	or proposals, as appropriate, which shall be publicly advertised
966	by posting on a web page maintained by the Department of Finance
967	and Administration through submission of such advertisement to the
968	Mississippi Procurement Technical Assistance Program under the
969	Mississippi Development Authority. The bid opening shall not
970	occur until after the submission has been posted for at least ten
971	(10) consecutive days. Each contracting board's share of
972	expenditures for solid waste collection, disposal or monitoring
973	under any contract shall be appropriated and paid in the manner
974	set forth in the joint agreement and in the same manner as for
975	other solid waste collection, disposal or monitoring expenses of
976	the contracting board. The contracting boards entering into a
977	joint agreement, as herein permitted, may designate a joint
978	purchasing or bidding agent, and the agent shall comply with this
979	paragraph. Any joint agreement entered into under this paragraph
980	shall not be subject to the provisions of Section 17-13-11.
981	SECTION 4. This act shall take effect and be in force from
982	and after its passage.