Did you know? Use of competitive bidding

Townships have a variety of bidding procedures and requirements for the purchase of goods and services. Unlike other local governments though, townships do not have a requirement to bid every contract over a certain amount. Rather, there are specific ORC sections for specific instances.

Most competitive bidding thresholds for townships are $50,000. Below is a list of township Revised Code sections in which competitive bidding is required. Consult with legal counsel before undertaking a large purchase or project.

**ORC §505.08 - Emergency Contracts**

“After adopting by a unanimous vote a resolution declaring a real and present emergency in connection with the administration of township services or the execution of duties assigned by law to any officer of a township, the board of township trustees may, by resolution, enter into a contract, without bidding or advertising, for the purchase of services, materials, equipment, or supplies needed to meet the emergency if the estimated cost of the contract is less than fifty thousand dollars.”

**ORC §505.37 (A) - Fire Equipment & Buildings**

“When the estimated cost to purchase fire apparatus, mechanical resuscitators, other equipment, appliances, materials, fire hydrants, buildings, or fire-alarm communications equipment or services exceeds fifty thousand dollars, the contract shall be let by competitive bidding.”

**ORC §505.376 - Fire/Ambulance Contracts**

“When any expenditure of a fire and ambulance district, other than for the compensation of district employees, exceeds fifty thousand dollars, the contract for the expenditure shall be in writing and made with the lowest and best bidder after advertising once a week for not less than two consecutive weeks in a newspaper of general circulation within the district.”

**ORC §511.01 - Town Hall**

“If, in a township, a town hall is to be built, improved, enlarged, or removed at a cost greater than fifty thousand dollars, the board of township trustees shall submit the question to the electors of such township and shall certify their resolution to the board of elections not later than four p.m. of the ninetieth day before the day of the election.”

**ORC §511.12 - Memorial Building, Monument Statue or Memorial**

“The board of township trustees may prepare plans and specifications and make contracts for the construction and erection of a memorial building, monument, statue, or memorial, for the purposes specified and within the amount authorized by section 511.08 of the Revised Code. If the total estimated cost of the construction and erection exceeds fifty thousand dollars, the contract shall be let by competitive bidding.”

**ORC §515.01 - Lighting Districts**

“If the board determines to procure lighting by contract and the total estimated cost of the contract exceeds fifty thousand dollars, the board shall prepare plans and specifications for the lighting equipment and shall, for two weeks, advertise for bids for furnishing the lighting equipment, either by posting the advertisement in three conspicuous places in the township or by publication of the advertisement once a week, for two consecutive weeks, in a newspaper of general circulation in the township. Any such contract for lighting shall be made with the lowest and best bidder.”

**ORC §5549.21 - Road Machinery, Materials & Supplies**

“Except as otherwise provided in sections 505.08, 505.101, and 5513.01 of the Revised Code, all purchases of materials, machinery, and tools shall, if the amount involved exceeds fifty thousand dollars, be made from the lowest responsible bidder after advertisement, as provided in section 5575.01 of the Revised Code.”

*Continued on page 3*
Grassroots Clippings

Workers’ comp billing system update

The Ohio Bureau of Workers’ Compensation (BWC) is changing the way it bills for workers’ compensation coverage to better serve Ohio employers.

For decades, the agency has billed for premiums after the fact. It will begin billing in advance of coverage starting Jan. 1, 2016, for public employers. This change will align BWC with standard industry billing practices.

Due to the switch to prospective billing, a number of deadlines for plan and program sign-ups will change in coming months. Among them is the snapshot date for experience calculation: for public employers enrolling for the 2016 policy year, the new date will be March 31, 2015.

Reminder: The current billing process remains in effect, so don’t forget to pay your remaining premiums by Sept. 2.

Here’s a breakdown of other key date changes:

- Group experience rating: May 29, 2015;
- Group retrospective rating, deductible program, individual retrospective rating, One Claim Program: July 31, 2015; and

Benefits of prospective billing include reduced overall systems costs for the agency, and in turn, an expected overall base rate reduction of four percent for public employers. It will give BWC an increased ability to detect non-compliance and fraud, which will lead to long-term savings. Also, more flexible payment options will be available with prospective billing - up to 12 installment payments instead of semi-annual billing.

The transition won’t cost Ohio employers any extra money. BWC will provide a one-time, $1.2 billion premium credit to eliminate the need for double payments during the transition.

For questions regarding prospective billing, email bwcperspectivebilling@bwc.state.oh.us.

Save the Date - Winter Conference Planning Begins

The Ohio Township Association’s (OTA) Annual Winter Conference is slated for Jan. 28-31, 2015, at the Columbus Convention Center. In the next couple of months, the OTA will compile workshop topics and speakers. If you have a specific topic you would like to see covered, or a speaker suggestion, please contact Heidi Fought, director of governmental affairs, at fought@ohiotownships.org or 614.863.0045.
ORIL program updates

Ohio’s Research Initiative for Locals (ORIL) recently announced six new locally-focused research projects that are currently on track to be funded. ORIL is scheduled to conduct its second annual idea submission process this September and October. Local agencies will again have an opportunity to submit transportation-related research ideas to the ORIL Board - which consists of Ohio county, city and township officials, along with several representatives from ODOT and academia - for review and consideration. Details will be available online at www.oril.transportation.ohio.gov.

An ORIL Idea Session on local research funding is scheduled for Sept. 9 in Columbus, from 10 a.m. - 12 p.m. Interested township parties are encouraged to attend this free session to learn more about the process for submitting ideas. Call LTAP at 614.387.7358 with questions.

Photo of the Month

Darby Township/Union County
Darby Township is home to roughly 2,200 people, and maintains 9 miles of road. They have two active cemeteries - Darby and Mitchell (seen below).

Each of Ohio’s 1,308 townships vary in size and budget. The Photo of the Month will give you a snapshot of the diversity that can be found around the state.

Have a photo you’d like to share? Email Kaitlin Hall at hall@ohiotownships.org.

Golf outing benefits scholarship program

The Ohio Township Association’s Fourth Annual Golf Outing is just around the corner. All proceeds benefit the Scholarship Program, which awards three $1,500 scholarships to high school seniors each year. Thank you to the following sponsors for contributing to this year’s event.

Hole-in-One
Burnham & Flower Insurance Group

Tee
Excel Decorators Inc.
Fabian Family of Mingo Junction
Integrys Energy Services
Pengwyn

Silver
CareWorks
FrankGates
Gulfport Energy Corp.
Trebel, LLC
York Risk Pooling

Donations
Washington Township
(Franklin County)

Ready, aim, shoot...

Help us replenish our township photo catalogue! The Ohio Township Association uses township photos in miscellaneous publications throughout the year, including the newsletter, magazine, website, Facebook, Winter Conference program and legislative platform.

Photos may include township buildings, fire/police/EMS, roads, drainage projects, plowing, parks, community gardens, memorials, line fences, cemeteries... you get it, right?

Not a photographer by nature? It doesn’t have to be a professional shot - even a quick snap of your Smartphone will do! Send photos to Kaitlin at hall@ohiotownships.org.

While you’re at it, submit your photo to OTARMA as part of their first annual photo contest. Photos will be considered for a calendar, which will be sent to all Ohio townships. Selected photos will receive a prize. Find out more at www.otarma.org.

OTA membership award winners determined

The Ohio Township Association’s (OTA) annual membership drive concluded June 30. Currently, there are 4,413 active members (of 5,232) and 3,560 associate members. The OTA is still waiting on several counties to submit membership information, however.

Based on the number of associate members gathered by each county, three awards are presented each year. Award categories include Highest Overall Number, Highest Percent Increase and Highest Raw Number Increase (to be eligible for an “increased” award, you must have had 25 associate members the previous year).

Winning counties receive a free one-page advertisement in the September/October issue of the Ohio Township News, as well as a plaque at the annual Winter Conference. This year’s winners are listed below.

2014 Membership Award Winners

Highest Overall Number
Fulton County with 339 associate members

Highest Percent Increase
Lorain County with a 59 percent increase

Highest Raw Number Increase
Wood County, who has 118 new members
What’s your county fair takeaway?

Ohio is in the midst of its county fair season. Are your county’s townships represented with a booth at the fair? If so, do you have takeaways for residents to remember you by?

The Ohio Township Association has promotional materials available, including a DVD that explains the history of townships and their role in the community; a brochure that highlights fun facts about townships; the Local Democracy in Ohio brochure, which tells why Ohio townships are more efficient and effective than other types of local government; and Township Day buttons (Township Day is Feb. 1 each year).

Order forms for each of these is available at www.ohiotownships.org by clicking on Publications, then Promotional Materials.

Use of Competitive Bidding
Continued from page 4

ORC §5575.01 (A) & (B) - Road Repair or Maintenance by Contract or Force Account

“(A) In the maintenance and repair of roads, the board of township trustees may proceed either by contract or force account... Except as otherwise provided in sections 505.08 and 505.101 of the Revised Code, when the board proceeds by contract, the contract shall, if the amount involved exceeds forty-five thousand dollars, be let by the board to the lowest responsible bidder after advertisement... If the amount involved is forty-five thousand dollars or less, a contract may be let without competitive bidding, or the work may be done by force account...”

“(B) Before undertaking the construction or reconstruction of a township road, the board shall cause to be made by the county engineer an estimate of the cost of the work... Except as otherwise provided under sections 505.08 and 505.101 of the Revised Code, where the total estimated cost of the work exceeds fifteen thousand dollars per mile, the board shall invite and receive competitive bids for furnishing all the labor, materials, and equipment and doing the work, as provided in section 5575.02 of the Revised Code, and shall consider and reject them before ordering the work done by force account.”

There are some exceptions to the competitive bidding requirements. Those include:

- Purchase of surplus commodities from the federal government (ORC §9.25);
- Purchase of utility services (ORC §9.30);
- Exchange of real property for property owned by the township (ORC §505.104);
- Purchase or sale of materials, equipment and goods with another political subdivision or the state or a state agency (ORC §9.48, 505.101, 713.23);
- Participation in contracts entered into by DAS (ORC §125.04); and
- Purchase of supplies or services upon equivalent terms, conditions, and specifications of a DAS contract but at a lower price than through DAS contract (ORC §125.04).

“Did You Know” is informational only and not intended as legal advice.

Calendar of Events

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<th>Hancock County</th>
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<td>OTA Golf Outing</td>
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ODNR to award NatureWorks funding

The Ohio Department of Natural Resources (ODNR) is now accepting applications for grant funding assistance for local park projects through the state NatureWorks Grant Program. Before the end of this year, ODNR will be awarding $3.9 million to local communities across the state to assist in providing Ohioans with enhanced outdoor opportunities.

The Ohio General Assembly recently allocated nearly $8 million to the NatureWorks Program for the next two fiscal years, FY 14 and FY 15. ODNR is currently offering half of these funds, and awarded projects can begin as early as spring 2015.

The NatureWorks grant application and eligibility requirements can be found at www.ohiodnr.gov/realestate. The Ohio Parks & Natural Resources Fund (State Issue No. 1) was passed by voters on Nov. 3, 1993. Additional legislation authorized the creation of the NatureWorks program. This is the 21st round of NatureWorks grants.

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