

## Opinion No. 66-40

April 6, 1966

**BY:** OPINION OF BOSTON E. WITT, Attorney General George Richard Schmitt,  
Assistant Attorney General

**TO:** Don Hancock, City Attorney, Post Office Box 808, Alamogordo, New Mexico 88310

### QUESTION

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Can a city lawfully renew a contract, for the purchase of a particular type of supplies on an annual basis, which was previously bid in the proper legal manner on a one-year basis, without advertising and taking new bids?

#### CONCLUSION

No.

### OPINION

#### {\*48} ANALYSIS

The purchasing by municipalities is governed by the Public Purchases Act, 6-5-1 through 6-5-9, N.M.S.A., 1953 Compilation, as amended. See Attorney General Opinions Nos. 62-66 and 62-70 (Copies enclosed). Section 6-5-4 A. of the Act in question provides as follows:

"A. Purchases, or **contracts for materials or labor, or both materials and labor to be furnished or performed**, made at any one time, which involve the expenditure of more than five hundred dollars (\$ 500) but less than one thousand dollars (\$ 1,000) **shall only be made or entered into after obtaining at least three bona fide written bids**. Where goods are to be purchased, such bids shall be from regular dealers in the commodity being purchased." (Emphasis supplied.)

A reading of the above law clearly discloses that contracts meeting the conditions of the Public Purchases Act are subject to written bids. A renewal of a contract which was for a definite term is obviously a new and separate contract. It must therefore meet the requirements of the Public Purchases Act.