

Court of Appeals, State of Michigan

ORDER

Mechanical Contractors Assn v Troy Schl Dist

Docket No. 267878

LC No. 2006-071518-CZ

Henry William Saad

Presiding Judge

Mark J. Cavanagh

Pat M. Donofrio

Judges

The Court orders that the motion for immediate consideration is GRANTED.

The motion for peremptory reversal under MCR 7.211(C)(4) is granted and the Oakland Circuit Court's January 17, 2006 order granting a permanent injunction against defendants is REVERSED in its entirety. A school board has broad discretion when awarding public contracts, and is presumed to act in good faith when awarding such contracts. *Great Lakes Heating and Cooling v Troy School District*, 197 Mich App 312, 314; 494 NW2d 863 (1992). The circuit court cannot disturb the decision of a school board on a bid unless there has been some form of fraud, abuse, or illegality. *Id.*, at 314-315. No fraud, abuse, or illegality was shown which would justify the permanent injunction ordered by the circuit court. Defendants' actions of rejecting all bids and soliciting new bids was specifically authorized by MCL 380.1267(6). While defendants' actions may place the bidders at a disadvantage in the second round of bids, defendants' actions are lawful and should not be enjoined. "Competitive bidding is not intended to benefit bidders. It is designed to protect the taxpaying public from fraud or favoritism in the expenditure of government funds for public works projects." *Malan Constrn Corp v Co Rd Commrs*, 187 F Supp 937, 939 (ED Mich 1960).

This order is to have immediate effect.

Since this order resolves all issues on appeal and there are no remaining claims before the circuit court, this Court retains no further jurisdiction.



A true copy entered and certified by Sandra Schultz Mengel, Chief Clerk, on

FEB 03 2006

Date

Sandra Schultz Mengel
Chief Clerk