

**26.9 Award of contract.**

1. The contract for the public improvement must be awarded to the lowest responsive, responsible bidder. However, contracts relating to public utilities or extensions or improvements thereof, as described in [sections 384.80 through 384.94](#), may be awarded by the city as it deems to be in the best interests of the city. [This section](#) shall not be construed to prohibit a governmental entity in the award of a contract for a public improvement or a governing body of a city utility from providing, in the award of a contract for a public improvement, an enhancement of payments upon early completion of the public improvement if the availability of the enhancement payments is included in the notice to bidders, the enhancement payments are competitively neutral to potential bidders, the enhancement payments are considered as a separate item in the public hearing on the award of contract, and the total value of the enhancement payments does not exceed ten percent of the value of the contract.

2. A governmental entity shall not require a potential bidder on a public improvement to provide any information which the potential bidder may deem to be confidential or proprietary as a requirement for being deemed a responsive, responsible bidder. [This subsection](#) shall not be construed to prohibit a governmental entity from obtaining information from the lowest responsive bidder to determine the bidder's responsibility relating to the bidder's experience, number of employees, and ability to finance the cost of the public improvement. However, a governmental entity shall require nonresident bidders to comply with [section 73A.21, subsection 4](#).

[2006 Acts, ch 1017, §9, 42, 43; 2017 Acts, ch 65, §1, 9, 10](#)

Referred to in [§26.3, 26.10, 26.14, 314.1](#)

2017 amendment to section takes effect April 13, 2017, and applies to notices to bidders for public improvements, bids awarded for public improvements, and contracts for public improvements entered into on and after that date; 2017 Acts, ch 65, §9, 10