

561—8.2(17A,455B,456A,461A,473) Contracts for public improvements.

8.2(1) *Definition.* As used in these rules, “public improvement” means any building or construction work, including road or bridge construction, reconstruction and maintenance, to be paid for in whole or in part by the use of state funds. Iowa Code section 23.21, relating to reciprocal resident bidder preference, shall apply to department contracts for public improvements.

8.2(2) *Invitation for bids.* When the total cost of a public improvement project exceeds the sum of \$25,000 as estimated by the department or the construction services bureau of the administrative services division, the department shall advertise for sealed bids by publishing a notice in at least one newspaper of statewide circulation, one newspaper published in the county seat of the county in which the work is to be done and such other means as may be appropriate in sufficient time to enable prospective bidders to prepare and submit bids, provided that one of said notices shall be not less than 15 days prior to the date set for receiving bids. Where work is to be done under the contract in more than three counties, the requirement of publication in the county seat shall not be required so long as other means of notice to bidders is given, as in trade journals or other such means. Plans, specifications and the contract form shall be provided to all prospective bidders as provided in the invitation for bids.

8.2(3) *Invitation for bids.* The invitation for bids must state the following items:

- a. The time and place for filing sealed proposals.
- b. The time and place sealed proposals will be opened and considered on behalf of the department.
- c. The general nature of the public improvement on which bids are requested.
- d. The general terms when the work must be commenced and when it must be completed.
- e. Any further information or requirements which the department deems pertinent or advisable.

All sealed bids shall be publicly opened as specified in the notice to bidders. The bids shall be tabulated and made available in a written form to any interested party.

8.2(4) *Solicitation of quotations.* Competitive quotations may be solicited on public improvement projects estimated by the department to cost less than \$25,000. At least three quotations shall be solicited unless there are an insufficient number of local, qualified contractors interested in the project.

8.2(5) *Failure to receive a qualified bid or quotation.* In the event that no qualified sealed bids or quotations are received, the department may negotiate a contract with a qualified contractor.

8.2(6) *Exceptions to the requirement for bids or quotations.* The director may authorize the negotiation of a contract for a public improvement project without first soliciting quotations or advertising for bids under the following circumstances:

- a. If the contemplated project involves the provision of utility services or the construction of a utility system and it would not be practicable to allow someone other than the utility company to perform the work.
- b. Where competition is precluded because of patent rights, secret processes, or control of basic raw materials.
- c. Where the project involves work of such a specialized nature that only one firm or person can reasonably be expected to accomplish it.
- d. Where the service or product is provided by a nonprofit private corporation, a governmental body or an educational institution.
- e. When emergency repair of a public improvement is necessary and delay for advertising or solicitation of quotations might cause serious loss or injury to the state.