

Section 1103. Approval for Award and Award of Contract

1103.01 CONSIDERATION OF BIDS.

The Contracting Authority reserves the right to waive technicalities and to reject any or all proposals. Bidders may be denied a contract award for any one of the following reasons:

- A.** For failure to meet the Contracting Authority's requirements for qualification of bidders, as set forth in [Articles 1102.01, 1102.02, 1102.03, 1102.15, 1102.16](#), and in the contract documents for the project.
- B.** For failure to maintain satisfactory progress on work already under contract.
- C.** For failure to meet promptly financial obligations undertaken in connection with other work under the existing contract or previous contracts.
- D.** For filing more than one proposal at any letting for the same work under the same or different names. However, affiliates will be allowed to bid against each other on proposals for the same contract. The Department, however, will only consider the lowest of the otherwise responsible affiliate bids for possible award. The proposals of the other affiliates bidding for that contract will be considered non-responsive for both DBE good-faith calculations and consideration for award of the contract.
- E.** For an unsatisfactory record of performance and cooperation on previous contracts.
- F.** For submitting an obviously unbalanced bid. An unbalanced bid shall be defined as a bid containing lump sum prices or unit bid prices which do not reflect reasonable actual costs plus a reasonable proportionate share of the bidder's anticipated profit, overhead costs, and other indirect costs to complete that item.
- G.** For having sublet or otherwise assigned work without the approval of the Contracting Authority.
- H.** For forfeiture of a proposal guaranty and failure to enter into contract upon an offer of an award by the Contracting Authority in response to a prior advertisement for bids for the same project or any combination of projects involving the project for which award is currently being considered.
- I.** For failure to file and maintain with the Contracting Authority a current Certificate of Insurance meeting the requirements of [Article 1107.02](#).
- J.** For filing proposals exceeding the bidder's qualification rating in a manner not permitted by the Contracting Authority.

1103.02 APPROVAL FOR AWARD.

- A.** In the approval for award of contract, consideration will be given not only to prices bid but also to the mechanical and other equipment available to the

bidder, the financial responsibility of the bidder, and the bidder's ability and experience in performance of like or similar contracts.

- B. Approvals for award will be made as promptly as practical after bids have been opened and read. The Contracting Authority reserves the right to delay the approval for award for such time as is needed for consideration of bids and for receipt of concurrence in recommended approvals for award from other governmental agencies whose concurrence may be required.

1103.03 RETURN OF PROPOSAL GUARANTY.

Proposal guaranties will be returned to the unsuccessful bidder by mail promptly after the approval for award has been made. Return to the successful bidder will be made promptly after the filing of the contract documents.

1103.04 CERTIFICATE OF INSURANCE.

The Contractor's certificate of liability and property damage insurance described in [Article 1107.02](#) shall be filed with the Contracting Authority on or before the execution of the contract and shall be maintained throughout the prosecution of the work and until final acceptance and completion of the contract. A separate verification shall be required for contracts awarded on the basis of joint bids.

1103.05 REQUIREMENT OF CONTRACT BOND.

On all contracts, the Contractor shall file an acceptable bond in an amount not less than 100% of the contract sum with the Contracting Authority; however, the amount of the contract bond does not need to include the predetermined costs for incentives or bonuses shown on the contract. One copy of the bond shall be executed on the standard form of the Department, and shall be submitted with the signed contract. This bond shall be held to cover all work included in the contract, whether performed by the Contractor or under a subcontract or assignment. The bond shall be executed by the Contractor and by a surety company authorized to do business in the State of Iowa. The Contractor shall not begin work on any contract before being notified, in writing, that the required bond has been approved and accepted, or until the signed contract is returned.

1103.06 EXECUTION OF CONTRACT.

The bidder to whom a contract is being awarded shall execute and file two copies of such contract with the Contracting Authority.

1103.07 FAILURE TO EXECUTE CONTRACT.

Unless the time limit is modified by the contract documents, failure to execute a contract and file an acceptable bond within 30 calendar days of the date of the approval for award, herein provided, will be just and sufficient cause for annulment of the approval for award and for forfeiture of the proposed guaranty to the Contracting Authority.

1103.08 DISCLOSURE OF SUBCONTRACTOR.

- A. A bidder awarded a contract with the Department shall disclose the names of all subcontractors who will work on the project or projects, or who the bidder anticipates will work on the project or projects. If a subcontractor named by a bidder awarded a contract is replaced, or if the cost of work to be done by a subcontractor is reduced, the bidder shall disclose the name of

the new subcontractor or the amount of the reduced cost. If a subcontractor is added by a bidder awarded a contract, the bidder shall disclose the name of the new subcontractor.

- B.** The list of proposed subcontractors shall be submitted to the Office of Contracts with the performance bond and signed contract.
- C.** Failure to present the subcontractor list will cause the Contractor to be re-evaluated for future bidder qualification as per [Article 1102.03](#).
- D.** These requirements are in addition to [Article 1108.01](#).