PROPOSAL REQUIREMENTS AND CONDITIONS

1.01 QUALIFICATION OF THE BIDDERS

A. The Jurisdiction reserves the right to reject any bid that is not responsive to the proposal form or contract documents, or not submitted by a responsive, responsible bidder.

B. Upon request of the Engineer, the apparent lowest responsive bidder, whose bid is under consideration for award of a contract, shall submit evidence of its financial resources, construction experience, and organization available for performance of the proposed work. A bidder's ability to promptly secure the required bonds and insurance coverages for the proposed work, as well as the bidder's demonstrated ability to continuously maintain insurance coverages on past projects, may be considered an indication of financial responsibility and the bidder's qualification as a responsive, responsible bidder.

1.02 CONTENTS OF THE PROPOSAL FORMS

A. Each prospective bidder will be furnished with a proposal form showing the location and description of the proposed work, the approximate quantities of work to be performed for which bid prices are requested, and the completion provisions. The contract documents will contain any special provisions that shall apply to the work to be performed.

B. The purpose of the contract documents is to require the furnishing of highest quality equipment, material, and workmanship, and best accepted construction practice. The Bidder is expected to base its bid on materials and equipment complying fully with the contract documents. Each bidder, in submitting its bid, acknowledges its willingness to comply with the terms of these contract documents.

1.03 QUANTITIES AND UNIT PRICES

A. Bidders shall submit a lump sum bid or unit bid price, as required by the proposal for the work covered by the contract documents. Prices shall cover complete work and include all costs incidental thereto.

B. When unit prices are requested in the proposal form, the quantities indicated on the proposal form are approximate only, and do not constitute a warranty or guarantee by the Jurisdiction as to the actual quantities involved in the work. Such quantities are to be used for the purpose of comparison of bids and determining the amount of bid security, contract, and performance, payment, and maintenance bond. In the event of discrepancies between unit prices and unit price extensions listed in a bidder's proposal, unit prices shall govern and unit price extensions shall be corrected, as necessary, for agreement with unit prices. The Jurisdiction expressly reserves the right to increase or decrease the quantities during construction as outlined in Section 1040, 1.06 - Increase or Decrease of Work, and to make reasonable changes in design, provided such changes do not materially change the intent of the contract. The amount of work to be paid for shall be based upon the actual quantities performed.

C. The proposal may have a lump sum item for mobilization. The bidder will indicate its bid price in dollars, and this will be the contract price for mobilization.

D. Materials, equipment, or labor essential for the proper completion of the work that are not specified as bid items in the contract documents and are incidental, and the cost of which shall be included in other bid items.
1.04 EXAMINATION OF THE CONTRACT DOCUMENTS AND SITE OF WORK

A. By submission of a proposal on the work, the bidder represents that it has carefully examined the site of the proposed work; the plans, specifications, and all other contract documents; and that the bidder is fully informed concerning the requirements of the contract, the physical conditions to be encountered in the work, and the character, quality, and the quantity of work to be performed, as well as materials to be furnished. The Contractor will not be entitled to additional compensation if it subsequently finds that conditions require methods or equipment other than that anticipated by the Contractor in making its proposal, except as provided in Section 1040, 1.09 - Changed Site Conditions.

B. The attention of the bidder is directed to the fact that contracts for work, other than the proposed work, may have been awarded or may be awarded in the future. Completion of the proposed work may be contingent upon certain work by others or covered by other contracts being performed on the project in advance of this work; likewise, completion of work by others or covered by other contracts may be dependent upon completion of the proposed work. The bidder is expected to become familiar with work already in progress or previously let on this project, the contract periods, the progress being made, and any other conditions regarding work that may affect the bid or the bidder’s performance under this contract.

C. The bidder on this work acknowledges the facts set out in the proceeding paragraph and agrees it is in the public interest to have the work of other contracts and agencies performed concurrently rather than consecutively. The bidder further agrees to cooperate and coordinate the work with other contractors or agencies to the mutual interest of all parties doing work on the project.

D. By the submission of a bid on this work, the bidder acknowledges and agrees investigation and inquiry has been made regarding the contracts for work with which this work must be coordinated. In the event disputes arise between contractors or other agencies doing work on the project as to their mutual rights or obligations, the Engineer will define the rights of all interested parties regarding the work.

E. The Jurisdiction does not warrant, impliedly or explicitly, the nature of the work, the conditions that will be encountered by the bidder, the adequacy of the contract documents for the Contractor to perform the work, or the conditions or structures to be encountered under any surface. Any such data supplied on the plans or other contract documents, or interpretation thereof by the Engineer, are merely for the convenience of the prospective bidders, who are to rely upon their own explorations of latent or subsurface site conditions, before completing and filing their proposal, except as provided in Section 1040, 1.09 - Changed Site Conditions.

1.05 INTERPRETATION OF THE CONTRACT DOCUMENTS

If any prospective bidder is in doubt as to the true meaning of any parts of the contract documents, the bidder may request an interpretation from the Engineer. Any interpretation of the contract documents will be made only by an addendum duly mailed or delivered to each prospective bidder who received, or in the future requests, contract documents from the Jurisdiction.
1.06 ADDENDUM

Each bidder will receive a notice of addendum for any changes in the contract documents made prior to the time established for the receipt of bids. The notice will be delivered in the manner chosen by the Jurisdiction to the bidder’s business address with an acknowledgement of receipt required. Acknowledgement of the receipt of the addendum will be as provided in the proposal form.

1.07 PREFERENCE FOR LABOR AND MATERIALS

A. By virtue of statutory authority, preference will be given to products and provisions grown and coal produced within the State of Iowa, and to Iowa domestic labor, to the extent lawfully required under Iowa Code Chapter 73.

B. Such preferences will not be given where funding requirements, federal or otherwise, prohibit the giving of such preferences.

1.08 TAXES

A. Sales Tax Exemption Certificate: The Jurisdiction, as a designated exempt entity awarding construction contracts, will issue Sales Tax Exemption Certificates to contractors and subcontractors allowing them to purchase, or withdraw from inventory, materials for the contract free from sales tax pursuant to Iowa Code Sections 423.2 and 423.45 and Iowa Administrative Code rule 701-219(423). This Sales Tax Exemption Certificate may also allow a manufacturer of building materials to consume materials in the performance of a construction contract without owing tax on the fabricated cost of those materials.

1. Upon award of contract, the Jurisdiction will register the contract, Contractor, and each subcontractor with the Iowa Department of Revenue and Finance; and distribute Sales Tax Exemption Certificates and authorization letters to the Contractor and each subcontractor duly approved by the Jurisdiction according to Section 1080, 1.01 - Subletting or Assignment of Contract. These documents allow the Contractor and subcontractors to purchase materials for the contract free from sales tax. The Contractor and subcontractors may make copies of the Sales Tax Exemption Certificate and provide a copy to each supplier providing construction material. These Sales Tax Exemption Certificates and authorization letters are applicable only for the work under the contract.

2. At the time the Contractor requests permission to sublet according to Section 1080, 1.01 - Subletting or Assignment of Contract, the Contractor shall provide a listing to the Jurisdiction identifying all subcontractors. For each subcontractor, include the Federal Employee Identification Number (FEIN), contact information, the name of a representative for the organization, a description of the work to be sublet, and the associated cost.

3. The Contractor and each subcontractor shall comply with said Iowa Code sales tax requirements, shall keep records identifying the materials and supplies purchased and verify they were used on the contract, and shall pay tax on any materials purchased tax-free and not used on the contract.

B. Alternate Sales and Use Tax: If the Jurisdiction, at its option, decides to utilize the sales and use tax option, it will so state by special provision and publication in the Notice of Hearing and Letting.

1. The bidders shall include in their proposals all amounts payable by the Contractor for taxes imposed by any taxing authority on the sale, purchase, or use of materials and equipment covered by the contract documents. All taxes of the foregoing description shall be paid by the Contractor.
1.08 TAXES (Continued)

2. After delivery of materials and equipment, the Contractor shall submit to the Jurisdiction a statement (on a current Iowa Department of Revenue form) of all taxes of the foregoing description paid on materials and equipment incorporated in the complete construction. If a Sales Tax Exemption Certificate is issued by the Jurisdiction according to Section 1020, 1.08, A, no statement is required.

C. Income Tax: The bidder who is awarded the contract will be subject to payment of Iowa income tax on income from this work in amounts prescribed by law. If such bidder is a non-Iowa partnership, individual, or association, it shall furnish evidence, prior to execution of contract, that bond or securities have been posted with the State of Iowa Department of Revenue in the amount required by law and shall file a certificate issued by the Department, as provided in Iowa Code Section 422.17, releasing the Jurisdiction from withholding any and all sums required by the provision of Iowa Code Section 422.17.

1.09 PREPARATION OF THE PROPOSAL

A. Proposal: Proposals shall be legibly written in ink or typed on the forms provided by the Jurisdiction and shall be completely executed by the bidder with the requisite full signatures. The bidder must indicate in the proposal whether the proposal is submitted by an individual, partnership, joint venture, limited liability company, or a corporation. If the proposal is submitted by an artificial entity, it must be executed by an officer of such entity with authority to bind such bidder to perform the contract upon award. The business address of the bidder shall be typed or printed on the proposal. The Bidder Status Form is required by the Iowa Labor Commissioner, pursuant to Iowa Administrative Code rule 875-156.2(1). The bidder must complete the form and submit it with the proposal. Failure to provide the Bidder Status Form with the bid may result in the bid being deemed non-responsive and may result in the bid being rejected. If the bidder does not qualify as a resident bidder, the non-resident bidder shall specify on the Bidder Status Form whether any preference to resident bidders, including but not limited to any preference to bidders, the imposition of any type of labor force preference, or any other form of preferential treatment to bidders or laborers from that state or foreign country is in effect in the non-resident bidder’s state or country of domicile at the time of a bid submittal.

B. Unit Price Attachment: The Engineer, at its option, may allow the bidder to submit a computer-generated attachment, hereinafter referred to as unit price attachment, in lieu of completing that portion of the proposal identifying the bid items, description, unit, quantity, and unit prices. If the Jurisdiction decides to allow this unit price attachment option, it will so state by special provision.

1. If a unit price attachment is submitted, it shall be attached to the proposal and shall include the following minimum information at the top of each page: project title, letting date, bidder’s company name.

2. The unit price attachment shall have the same columns as the proposal; e.g. item number, description, unit, quantity, unit price, bid amount, etc. for each item. The bid item numbers and order on the unit price attachment shall follow that of the proposal.

3. The total amount bid shall be entered below the last bid item on the unit price attachment.

4. The unit price attachment page and print size shall be approximately the same as the proposal. Solid lines for separating the columns and lines need not be printed. Pages should be numbered by page number of the total pages (e.g. Page 1 of 4).

5. The bidder’s company name, as well as the authorized person signature, name, and title, shall be in ink and shall follow the total amount bid; and shall be the same person that signs the proposal.
1.09 PREPARATION OF THE PROPOSAL (Continued)

6. In case of discrepancy in the item number, description, unit, or quantity between the unit price attachment and the proposal, the proposal shall govern. The unit price shown on the unit price attachment shall govern.

7. The bidder is solely responsible for the content, completeness, and accuracy of all the information contained in the unit price attachment. If the information in the unit price attachment is incomplete, the bid must be considered incomplete and be rejected.

8. When evaluating and tabulating the bids, the Jurisdiction shall utilize only the unit price as shown on the unit price attachment, and the item number, description, unit, and quantity as shown on the proposal.

C. The bidder, as a business organization, shall comply with the requirements of Section 1070, 1.11 - Business Organization Requirements.

D. When unit prices are requested, they shall be submitted on each and every item of work included for which bids are requested. The format for unit prices will be in dollars and whole cents only. In case of discrepancy, the unit price figures shall govern.

1.10 BIDDERS CERTIFICATION

By the submission of its proposal, the bidder certifies its bid is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation; the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid; the bidder has not solicited or induced any person, firm, or corporation to refrain from bidding; and the bidder has not sought, by collusion or otherwise, to obtain for itself any advantage over any other bidder or over the Jurisdiction.

1.11 IRREGULAR AND NONRESPONSIVE PROPOSALS

A. Proposals will be considered irregular and may be rejected for any unauthorized changes in the proposal form or for any of the following reasons:

1. If submitted on a form other than that furnished by the Jurisdiction, or if the form is altered or any part thereof is detached or missing;

2. If the bidder submits an obviously unbalanced bid. An unbalanced bid shall be defined as a bid containing lump sum prices or unit bid prices that 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;

3. If the proposal does not contain a unit price for each pay item listed, except in the case of authorized alternate pay items; or

4. If the bidder submits more than one proposal for the same work under the same or different names.

B. Proposals will be considered nonresponsive and shall be rejected for any of the following reasons:

1. If there are unauthorized additions, conditional or alternate bids, or irregularities of any kind that may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning;

2. If the bidder adds any provisions reserving the right to accept or reject an award or to enter into contract pursuant to an award;
1.11 IRREGULAR AND NONRESPONSIVE PROPOSALS (Continued)

3. If a bid on one project is tied to a bid on any other project, except as specifically
authorized on the proposal form by the Jurisdiction;

4. If the bidder makes corrections or alterations to the unit prices it submits and such
corrections or alterations are not initialed by the bidder. The Jurisdiction may require the
bidder to identify any corrections or alteration so initialed;

5. If the bidder makes any omission of prices on items shown on the proposal forms, or any
addition in writing to the form of the bid, or any condition or limitation on its proposal.

C. If the bidder notes a requirement in the contract documents it believes will require a
conditioned or unsolicited alternate bid, it shall immediately notify the Engineer in writing
identifying such requirement. If the Engineer finds that such a requirement does exist in the
contract documents, the Jurisdiction will make corrections thereto by an addendum.

D. Proposals will be evaluated by the Jurisdiction pursuant to the provisions of Section 1030,
1.01 - Acceptance or Rejection of Proposals.

1.12 SUBMISSION OF THE PROPOSAL, IDENTITY OF BIDDER, AND BID SECURITY

A. The proposal shall be sealed in an envelope, properly identified as the proposal with the
project title and the name and address of the bidder, and deposited with the Jurisdiction at or
before the time and at the place provided in the Notice to Bidders. It is the sole responsibility
of the bidder to see its proposal is delivered to the Jurisdiction prior to the time for opening
bids, along with the appropriate bid security sealed in the separate envelope identified as bid
security and attached to the outside of the bid proposal envelope. Any proposal received
after the scheduled time for the receiving of proposals will be returned to the bidder
unopened and will not be considered. If the Jurisdiction provides envelopes for proposals
and bid security, bidders shall be required to utilize such envelopes in the submission of their
bids.

B. A corporation, limited liability company, or limited partnership shall bid in the name under
which it is registered with the Iowa Secretary of State. A partnership shall bid in the name
under which it is registered with the County recorder. An individual operating under a trade
name shall bid using the trade name registered with the County recorder if such registration
is required. The bidder's exact name as registered, if required, shall appear as the "principal"
on any bid bond and shall appear on any cashier's check or share draft submitted to fulfill the
bid security requirement. A bidder's failure to satisfy these requirements may be grounds for
rejection of the bidder's proposal.

1.13 WITHDRAWAL OR REVISION OF THE PROPOSAL PRIOR TO OPENING OF PROPOSALS

A. A bidder may request, without prejudice, to withdraw its proposal after it has been deposited
with the Jurisdiction, provided such request is made in writing to the Jurisdiction prior to the
time set for receiving proposals.

B. Modifications or corrections to proposals may be made on the withdrawn proposal, provided
such modifications or corrections are initialed by the Bidder and are received by the
Jurisdiction prior to the time set for receiving proposals. Modifications or corrections to a
proposal will not be accepted if the modifications or corrections render the bid security
inadequate or if not accompanied by sufficient additional bid security.

C. If a bidder has requested in writing to withdraw its proposal, said bidder may submit a
different proposal and bid security at that time or any time prior to the time set for receiving
proposals.
1.14 OPENING OF PROPOSALS

At the time and place set forth in the notice to bidders, proposals will be opened and read aloud. Proposals will be rejected if not accompanied by a bid security submitted in a separate, marked envelope. Submittals that do not include acknowledgement of each addendum to the contract documents will be rejected, except in those instances, in the opinion of the Engineer, where the addendum not acknowledged by a bidder will have no effect on the bid amount. Bid openings will be open to the public.

1.15 LIMITATION ON WITHDRAWAL OF PROPOSALS AFTER OPENING OF PROPOSALS

A. A bidder shall not withdraw its proposal for period of 60 calendar days after the date designated for opening of proposals, or such other period of time specified in the Notice. However, in those projects involving special assessments, and confirmation by the District Court, no bidder shall withdraw its proposal for a period of 30 calendar days after the confirmation of the assessments by the Court.

B. In the event a bidder desires to withdraw its proposal, it shall make request therefore in writing to the Engineer stating the reasons for such withdrawal.

END OF SECTION