

Public Bidding Thresholds

In Iowa, bidding thresholds for public entities are set out by statute; for example:

City Construction

Most contracts for city construction when the estimated cost exceeds \$100,000 are secured through the competitive bidding process. (Iowa Code Section 26.3) Efforts to minimize or divide projects intentionally to avoid public bidding requirements have been found to violate the law (See, for example, *Elview Construction v. North Scott Community School District*¹⁰).

Department of Administrative Services

If the estimated cost of construction, erection, demolition, alteration or repair of public improvement exceeds \$100,000, the general services director must advertise for bids. (Iowa Code Section 8A.311.11a)

County Projects

When the estimated cost of construction, erection, demolition, alteration or repair of public improvement, other than improvements which may be paid for from the secondary road fund, exceeds \$100,000 (Iowa Code Section 331.341) the project must be advertised for bids. All contracts for road or bridge projects over \$75,000 (This amount may be adjusted every two years) may be let informally after contacting at least three bidders. (Iowa Code Section 309.41) Farm-to-market roads exceeding \$1,000 must be let by bid. (Iowa Code Section 310.14)

Board of Regents

Board of Regents requirements on state university projects: construction, repairs or improvements exceeding \$100,000 must be advertised and let for bid. (Iowa Code Section 262.34)

Schools

Iowa school districts must advertise for bids and let by competitive bidding any work that involves “construction, erection, demolition, alteration or repair” of school buildings exceeding \$100,000. (Iowa Code Sections 73A.2, 73A.18 & 297.7(1)) School districts must award “to the lowest responsive, responsible bidder.” (Iowa Code Section 26.90)

DOT

For state highway projects, Iowa Code Section 313.10 provides that all projects the estimated costs of which exceeds \$1,000 must be competitively bid.