

Title : Guidelines for Bids – Real Property  
Number :  
Approved :  
Reference : A.R.S. §41-2501; USAFR Section VI-F

2330.02  
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The Arizona Procurement Code as applicable to the acquisition of real property.

Competitive sealed bidding shall be used to acquire real property with an estimated total cost of more than \$25,000. An invitation for bids will be issued and shall include a purchase description and all contractual terms applicable to the acquisition.

Adequate public notice of the invitation for bids will be given within a reasonable time before the date specified in the invitation for the opening of bids. The notice shall be published one or more times in a newspaper of general circulation within the district. Publication will take place within a reasonable time before bid opening.

Bids will be opened publicly at the time and place designated in the invitation for bids. The amount of each bid, other relevant information, and the name of each bidder shall be recorded. This record shall be open to public inspection after the bid opening.

Bids shall be unconditionally accepted without alteration or correction. Bids shall be evaluated based on the evaluation criteria set forth in the invitation for bids. Criteria that are not included in the invitation for bids may not be used in bid evaluation.

The contract will be awarded to the lowest responsible bidder whose bid conforms in all material respects to the requirements and criteria set forth in the invitation for bids. Sales or use tax should not be a factor in determining the lowest bidder.

Invitations to bid shall require the submission of bid security at the time the bid is submitted, in an amount equal to at least 10 percent of the bid. This procedure acts as a guarantee that the contractor will enter into a contract. If a bidder fails to submit the required bid security with the bid, the bid shall be deemed non-responsive. Bid security may be a bond provided by a surety company authorized to do business in this State or may be in the form of a certified or cashier's check.

Construction contracts require performance and payment bonds to be executed upon award of the contract. The bonds become binding on the parties upon execution of the contract. Performance bonds that help ensure performance of the contract must be executed by a surety company authorized to do business in this State, in an amount equal to 100 percent of the price specified in the contract. Payment bonds must be executed by a surety company authorized to do business in this State for the protection of all persons supplying labor and material to the contractor or its subcontractors. The bond must be in an amount equal to 100 percent of the price specified in the contract.

The contractor must deliver the performance bond and the payment bond at the same time the contract is executed. If a contractor fails to deliver the required performance bond or payment bond, the contractor's bid must be rejected and its bid security must be forfeited.

The District must retain 10 percent of all construction contract payments as insurance of proper performance or, at the option of the contractor, a substitute security may be provided. Retention must be paid or substitute security returned to the contractor within 60 days after completion and acceptance of work under the contract.

