



Chapter 18

PUBLIC WORKS LAW

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General Rules:

Projects estimated to cost at least \$300,000, [IC 36-1-12-4](#): When the cost of a public work is estimated to be at least \$300,000, the board shall comply with the procedure set forth in [IC 36-1-12-4](#) including but not limited to the preparation of plans and specifications, filing such in a location accessible to the public, and publishing notice of the public work and the date for the meeting to receive bids on the project. The board shall hold a meeting for receiving bids that is open to the public. At such meeting, bids shall be opened, read aloud, and the board shall award the contract to the lowest responsible and responsive bidder or reject all bids. See [IC 36-1-12-4](#) for additional details.

The political subdivision or agency shall require a bond or a certified check to be filed with each bid by a bidder in the amount determined and specified by the board in the notice of the letting if the cost of the public work is estimated to be more than \$200,000; and may require a bond or a certified check to be filed with each bid by a bidder in the amount determined and specified by the board in the notice of the letting if the cost of the public work is estimated to be not more than \$200,000. Bond requirements are set forth in [IC 36-1-12-4.5](#).

Except as provided in [IC 36-1-12-6\(b\), \(c\)](#) (use of bonds to finance construction), the board shall award the contract and shall provide the successful bidder with written notice to proceed within 60 days after the date on which bids are opened. If the successful bidder elects to reject the contract and withdraw its bid, notice of that election must be given to the board in writing within 15 days of the 60 day expiration date or any other extension date, [IC 36-1-12-6](#).

Projects estimated to cost between \$50,000 and \$300,000, [IC 36-1-12-4.7](#): Whenever a public work project is estimated to cost at least \$50,000 and less than \$300,000, the board shall invite quotes from at least 3 persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The board shall hold a meeting for receiving quotes that must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before. The board shall award the contract for the public work to the lowest responsible and responsive quoter. The board may reject all quotes submitted. See [IC 36-1-12-4.7](#) for additional details.

Projects estimated to cost less than \$50,000, [IC 36-1-12-5](#): A board may proceed under [IC 36-1-12-4](#) or under the following procedure: The board shall invite quotes from at least 3 persons known to deal in the class of work proposed.

The board shall award the contract for the public work to the lowest responsible and responsive quoter. The board may reject all quotes submitted.

If the board rejects all quotes, the board may negotiate and enter into agreements for the work in the open market without inviting or receiving quotes provided the board establishes in writing the reasons for rejecting the quotes. See [IC 36-1-12-5](#) for additional details.

Prohibition Against Dividing Project

Prohibition against dividing project, [IC 36-1-12-19](#): The cost of a single public work project may not be divided into 2 or more projects for the purpose of avoiding the requirement to solicit bids. A bidder or quoter or a person who is a party to a public work contract who knowingly violates this law commits a Class A infraction and may not be a party to or benefit from any contract for two 2 years from the date of the conviction. Any board member or officer of a political subdivision who knowingly violates this law commits a Class A infraction.

The cost of a public work project includes the cost of materials, labor, equipment rental, and all other expenses incidental to the performance of the project.

Contract void, [IC 36-1-12-16](#): A contract for public work by a political subdivision or agency is void if it is not let in accordance with [IC 36-1-12](#).

In all cases please consult current statutes for up to date information.