



SECTION 103

AWARD AND EXECUTION OF CONTRACT

103.1 Consideration of Bids . After the bids are opened and the bid totals read, they will be compared on the basis of the summation of the products of the approximate quantities shown in the bid schedule multiplied by the unit bid prices. The results of such comparisons will be immediately available to the public.

103.2 Award of Contract.

103.2.1 The contract will be awarded by the Commission to the lowest responsible bidder as soon as practicable after the opening of the bids. The responsibility of the contractor will be determined by the Commission based upon, but not limited to, previous work, financial standing and record for the payment of the contractor's obligations. No contract will be executed by the Commission unless the contractor has on file with the Commission a valid contractor questionnaire as required by [Sec 102.2](#). The successful bidder will be notified by letter mailed to the address shown on the bid that the bid has been accepted and the contract has been awarded.

103.2.2 By virtue of statutory authority, a preference will be given, on other than federal aid projects, to material, products, supplies, provisions and all other articles produced, manufactured, made or grown within the State of Missouri.

103.2.3 Alternate Bids. In making the award, if alternate bids have been requested, that alternate will be used which will be to the best interest of the State.

103.2.4 Federal Concurrence. If the federal government or any agency thereof is paying all or a portion of the cost of construction of the project, the award made by the Commission will be tentative until proper federal concurrence therein has been received.

103.3 Return of Bid Guaranty . The bid guaranty, whether check or bid bond, of the low bidder will be retained until the contract has been executed by the successful bidder, all insurance requirements met and satisfactory contract bond furnished. The check of the low bidder will then be returned. The bid guaranty of the second low bidder will be returned when the Commission has determined that the award will not be made to that firm. If errors or irregularities appear in the bid of either of the two apparent low bidders which create doubt as to the status of such bid, the bid guaranties of other bidders may be retained. When the two lowest bidders have been definitely established, the checks of the other bidders will be returned. Any bid bond furnished as a bid guaranty will be returned only upon request of the bidder furnishing it. If an award is not made, all checks will be returned to the bidders.

103.4 Contract Bond Required.

103.4.1 The successful bidder shall, at the time of the execution of the contract, furnish a contract bond in a sum equal to the contract price. The bond shall be to the State of Missouri, in a form and with surety or sureties acceptable to the Commission, to ensure the proper and prompt completion of the work in accordance with the provisions of the contract, the contractor's compliance with all of the terms and conditions of the contract, all obligations on

the contractor's part to be performed and payment of all obligations to Commission of contractor, including any indebtedness, liquidated or unliquidated, for any reason relating to or arising from the contract, and to ensure payment for all labor performed and material consumed or used in the work. The bond, if executed by a surety which is a corporation organized in a state other than Missouri, shall be signed by an agent or broker licensed by the Missouri Department of Insurance. All bids shall be submitted on the basis of furnishing a contract bond executed by an approved surety or sureties, as herein set out. The surety's liability under the contract bond and contract shall not be limited to the penal sum as set forth in the contract bond. The surety shall be liable and responsible to the Commission for the contractor's entire performance and of all obligations arising under or from the contract, which shall include, but not be limited to, any change orders issued under the contract which increase the cost of the contract.

103.4.2 Certificate of Authority. Any surety company which proposes to execute a bond as required by the contract shall have on file with or furnish to the Commission a certified copy of its certificate of authority to transact business in the State of Missouri.

103.4.3 Surety Acceptability. A surety is acceptable to the Commission if it is listed in the current "United States Department of the Treasury, Fiscal Service, Department Circular 570, Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies". Individual contract bonds may not be in excess of the underwriting limitation listed in the circular.

103.5 Execution of Contract. The individual, partnership, corporation or joint venturer awarded the contract shall return the prescribed copies of the contract and bond, properly executed, to the office of the Commission within fifteen days after the unexecuted contract has been mailed to the bidder. No bid shall be considered binding upon the Commission until the contract has been awarded by the Commission, and until the successful bidder has executed and returned the contract and a satisfactory bond. No contract shall be effective until it has been executed by all of the parties.

103.6 Failure to Execute Contract . Failure to execute the contract and to file an acceptable contract bond within fifteen days after the unexecuted contract has been mailed to the bidder shall be just cause for the cancellation of the award and the forfeiture of the bid guaranty. A bidder failing to file an acceptable bid or contract bond from an approved surety or failing to execute the contract within the time provided, resulting in a cancellation of the award to that bidder, disqualifies that bidder, and any other firm having common ownership or control with that bidder, from performing any work on the Commission project or projects which are the subject of that bid, as a prime contractor, a subcontractor or a supplier.