

## Introduction

Public Works Contractors Licensing offers this guide/update to Administrative Rules and Idaho Code for contractors and public entities. Changes took effect July 1, 2008, the major change is an examination.

Legislature added an unlimited class and incorporated Title 67-2310 (naming law) into our jurisdiction.

The examination remains an open book style for all license classes however, all licenses from class C up to the Unlimited now has seventy-five questions and is completed in a testing facility where as the class D license still has 20 questions and can be completed in the your office. The seventy-five question test was developed at the request of the construction industry to raise the level of knowledge necessary to be competitive in today's market.

The addition of an unlimited class allows for seven classes of licenses and raises the bid limits for all classes.

The inclusion of the naming law into our statutes authorizes Public Works Contractors Licensing to investigate and issue administrative assessments to general contractors for not naming the major sub-contractors in their bids. This includes electrical, plumbing, and HVAC contractors and if the general contractor performs this work he must name himself.

Should you have any questions or if we can be of assistance please call our office at 208-334-4057 or 1-800-358-6895.

Public Works Contractor  
Licensing Bureau  
1090 E. Watertower St.  
Meridian, ID 83642  
Phone 1-800-358-6895  
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Idaho Local Governments

# Procurement and Public Works Contracting



## *Public Works Contractor Licensing*

*Idaho Code & Administrative Rule  
Update 2009  
dbs.idaho.gov*



**PUBLIC WORKS CONTRACTOR LICENSE**

| <b>Public Works Contractor Licensure Requirements</b> |  | <b>Idaho Code</b> |
|---|--|-------------------|
| \$0 to \$10,000 (total project)                       | No Licensure Required  | IC 54-1903 (i)    |
| <b>Public Works Construction Bidding</b>              |  |                   |
| \$0 to \$25,000                                       | No bidding requirements  | IC 67-2803 (2)    |
| \$25,000 to \$100,000                                 | <b>Semi-formal bidding:</b> Issue written requests for bids describing goods or services desired to at least 3 contractors. Allow 3 days for written response, unless an emergency exists; objections must be submitted no later than 1 business day PRIOR to bid. Keep records for 6 months. <u>Accept low bid or reject all bids.</u>  | IC 67-2805 (2)    |
| \$100,000 and above                                   | <b>Formal bidding:</b> 2 Options Category A & B<br><b>Category A</b> – Open to all licensed contractors. Publication requirements. Written objections allowed 3 business days PRIOR to bid. <b>Category B</b> – Open to pre-qualified contractors. After pre-qualification is determined, the bidding process is done in the same manner as Category A to include filing objections. | IC 67-2805(3)     |

| <b>Public Works Contractor Licensure Exemptions (Those most relevant to Local Governments)</b> |  |                |
|--|--|----------------|
| The sale of installation of any finished productions, material or articles of merchandise      | NOT actually fabricated into and do not become a permanent fixed part of the structure.  | IC 54-1903 (d) |
| Duly licensed architects, licensed engineers and land surveyors                                | When acting solely in their professional capacity.   | IC 54-1903 (h) |
| Less than \$10,000 for construction, alteration, improvement or repair                         | Single project with any number of trades.  | IC 54-1903 (i) |
| Less than \$50,000 for construction, alteration, improvement or repair.                        | Single project for which no responsive statement of interest was received from a licensed public works contractor per 67-2805. | IC 54-1903 (i) |

| <b>Contractors Penalties</b>                              |  |                |
|---|--|----------------|
| Administrative fine (not to exceed \$20,000) (IPWCLB)     | Public works contractor violation of Public Works Contractor Idaho Statutes. | IC 54-1914 (1) |
| Criminal penalty up to \$5,000 and 1 year in jail (court) | Public works contractor violation of Public Works Contractor Idaho Statutes. | IC 54-1920 (1) |
| Court imposed injunctive relief                           | Public works contractor acting without a license.                            | IC 54-1920 (3) |

| <b>Political Subdivisions/Public Officials Penalties</b>                               |  |                |
|--|--|----------------|
| Administrative fine (not to exceed \$5,000) (IPWCLB)                                   | Public agency contracting with an unlicensed or improperly licensed contractor.                    | IC 54-1914 (2) |
| Criminal penalty up to \$5,000 and 1 year in jail (court)                              | Public agency official contracting with an unlicensed or improperly licensed contractor.           | IC 54-1920 (2) |
| Civil penalty up to \$5,000 for each offense – Against a political subdivision (court) | Willful and knowing avoidance of competitive bidding or procurement statutes, “Bidding Splitting”. | IC 59-1026     |

**REMEMBER – At least three other sections of Idaho Code need to be considered: 67-2309, 67-2320 & Title 54 Chapter 19!**

**INFORMATIONAL**

| <b>Joint Purchasing Programs</b> |  | <b>Idaho Code</b> |
|----------------------------------|--|-------------------|
| Joint Purchasing Agreements      | Political Subdivisions may enter into Joint Purchasing agreements with the State of Idaho or other political subdivisions. Personal property procurement shall be in accordance with this chapter. | IC 67-2807 (1)    |

| <b>Public Procurement of Goods and Services Bidding</b> |   |                |
|---|---|----------------|
| \$0 to \$25,000   | No bidding requirements   | IC 67-2803 (2) |
| \$25,000 to \$50,000                                    | <b>Semi-formal bidding:</b> Issue written requests for bids describing goods or services desired to at least 3 vendors. Allow 3 days for written response, unless an emergency exists; objections must be submitted no later than 1 business day PRIOR to bid. Keep records for 6 months. <u>Accept low bid or reject all bids.</u> | IC 67-2806 (1) |
| \$50,000 and above                                      | Formal bidding: Publish bid at least 2 weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid security/bond. Can reject all bids IF able to purchase more economically in the open market.   | IC 67-2806 (2) |

| <b>Public Procurement of Goods and Services Bidding (For information on exemptions see IC 67-2803)</b> |   |                |
|--|---|----------------|
| Personal Property  | Already competitively bid (piggy-backing).  | IC 67-2803 (1) |
| Less than \$25,000   | Contracts or purchases of goods or services.  | IC 67-2803 (2) |
| Any Amount   | Payment of Wages  | IC 67-2803 (3) |
| Any Amount   | Personal or professional services performed by an independent contractor (refer to info on qualifications in IC 67-2320). | IC 67-2803 (4) |
| Any Amount   | Procurement of an interest in real property (lease or purchase).  | IC 67-2803 (5) |
| Any Amount   | Procurement of insurance  | IC 67-2803 (6) |
| Any Amount   | Costs of Joint Powers participation   | IC 67-2803 (7) |
| Any Amount   | Emergency Expenditures  | IC 67-2808 (1) |

| <b>Types of Public Works Licenses &amp; requirements</b> |       |                          |                   |                         |                             |
|--|-------|--------------------------|-------------------|-------------------------|-----------------------------|
| Class  | Fee   | Past work history        | Current Net Worth | Current Working Capital | Bid Limit per Project       |
| Unlimited (U)  | \$550 | \$3.5 million            | \$1 million       | \$600,000               | Unlimited                   |
| AAA  | \$450 | \$2.1 million            | \$600,000         | \$200,000               | \$5 million or less         |
| AA   | \$350 | \$875,000                | \$450,000         | \$150,000               | \$3 million or less         |
| A  | \$250 | \$420,000                | \$300,000         | \$100,000               | \$1,250,000 million or less |
| B  | \$150 | \$140,000                | \$150,000         | \$50,000                | \$600,000 or less           |
| C  | \$100 | \$35,000                 | \$25,000          | \$7,500                 | \$200,000 or less           |
| D  | \$50  | No minimum dollar amount | \$10,000          | \$3,000                 | \$50,000 or less            |

**Testing is required for all public works contractor licenses. If you have questions regarding testing please contact our office at the phone number listed below or in the introduction of this pamphlet. Public Works Contractors Licensing Website: <http://dbs.idaho.gov>**

**But I still have questions...Who Do I Call???**  
 Public Works Contractors Licensing Bureau (208)334-4057 Local Highway Tech. Asst. Council (208)344-0565  
 Idaho School Boards Association (208)854-1476 Idaho Dept. of Admin. Division of Public Works (208)332-1900  
 Idaho Society for Professional Engineers (208)426-0636 Idaho Transportation Department (208)334-8000  
 Idaho School Administrators Association (208)345-1171 Ada County Highway District (208)387-6100

**Contact your attorney/legal counsel**