

Bond Case Briefs

Municipal Finance Law Since 1971

CONTRACTS - IOWA

Horsfield Materials, Inc. v. City of Dyersville

Supreme Court of Iowa - July 5, 2013 - N.W.2d - 2013 WL 3378316

Prospective supplier of materials for public construction project brought action against city, which had excluded prospective supplier from list of preapproved materials suppliers, seeking declaratory judgment that preapproval process violated public bidding statute, equal protection, and due process, and seeking relief under open records law based on city's responses to a records request.

Holdings: The Supreme Court, Mansfield, J., held that:

- Prospective supplier lacked standing to seek declaratory judgment that city's list of preapproved materials suppliers violated public bidding statute;
- Prospective supplier met "injury in fact" element of standing to assert that its ongoing exclusion from city's lists of preapproved suppliers violated equal protection and due process;
- City's process of preapproving three suppliers of aggregate and three suppliers of concrete for public construction project did not violate equal protection or substantive due process;
- Prospective supplier had no liberty or property interest at stake in supplying materials for city's construction projects, such that no procedural violation occurred when city excluded prospective supplier from lists of preapproved suppliers;
- Open Records Act provision does not impose an absolute 20-day deadline on a government entity to find and produce requested public records;
- City did not substantially comply with legal obligation under Open Records Act to produce public records promptly by taking from approximately January 25 to April 6 to produce 617 pages of records requested by materials supplier; and
- City's tactical decision as defendant on Open Records Act claim to waive attorney-client privilege with respect to eight emails covered by records request did not show that city violated the act by initially withholding those emails.

City's process of preapproving three suppliers of aggregate and three suppliers of concrete for public construction project served realistically conceivable government interest in quality control, and there was a reasonable fit between the means chosen and the goal of quality control, such that process satisfied rational-basis review on equal protection and substantive due-process challenges asserted by a prospective supplier excluded from preapproved lists. City had 20 to 30 years of positive experience with each of the suppliers on the preapproved lists, and there was no indication that city excluded any suppliers that had a similar track record.