

Bond Case Briefs

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CONTRACTS - MISSISSIPPI

Hemphill Construction Company, Inc. v. City of Clarksdale

Supreme Court of Mississippi - August 16, 2018 - So.3d - 2018 WL 3913255

High bidder filed a bill of exceptions, appealing city's decision to award construction contract to low bidder.

The Circuit Court found city's award of construction project to low bidder did not violate state law, and high bidder appealed.

The Supreme Court of Mississippi held that:

- City was without statutory authority to either award a bid for public construction project, or to negotiate with the lowest bidder to enter into a contract for an amount greater than the amount of the funds allocated;
- It was unreasonable for city to infer that it had the authority to hold open bid that exceeded the funds allocated for a public construction project by more than ten percent while it attempted to secure additional funds; and
- Purpose of the law on public contract bidding to protect the public negated any inference that city could hold open lowest bid to allow it to secure additional funds.