

 <p style="text-align: center;">STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES</p> <p style="text-align: center;">Policy and Procedure</p>	POLICY AND PROCEDURE NUMBER 10.02.013	PAGE 1 of 3
	EFFECTIVE DATE May 27, 2020	
SUBJECT The Public Interest Finding	SUPERSEDES 10.02.013	DATED February 28, 2001
CHAPTER Procurement and Property	SECTION Contracting	APPROVED BY Signature on File

PURPOSE

This formalizes the policy and procedure (P&P) of the department to provide guidance and establish uniform criteria for developing and submitting the Public Interest Findings (PIF) as required by state or federal regulations.

POLICY

It is policy that a PIF is the typical document and permanent record used to satisfy a *'findings-of-fact'* and *"state's best interest"* requirement on certain types of construction related work. PIF's are generally used when there is a request for departure from standard procurement or contracting procedures, and for:

1. Use of state owned or state furnished material (23 CFR 635.407 & 2 AAC 12.760).
2. Use of publicly owned equipment (23 CFR 635.106).
3. Advertisement for bids without "Right of Occupancy and Use" (23 CFR 635.309).
4. High cost materials – signing, pavement marking, and signal materials or equipment (23 CFR 655.606).
5. Force account construction (23 CFR 635.201-205, AS 19.10.170, DOT&PF policy 10.02.012).

A PIF is not required when:

1. The funding source is from a municipality, or other entity, and is not reimbursable with state or federal funds.
2. The work to be performed is that of maintenance on a non-capital project.

3. A utility agreement is being established and there are minor quantities of materials and supplies and proprietary products that are routinely used in a utility's operation which are essential for the maintenance of the system (23 CFR 645.117(e)).

PROCEDURE

There is no standard form for submitting a PIF. However, the PIF must:

1. clearly describe how the best interest of the public and the state will be achieved. This is accomplished by describing any cost effectiveness and efficiency to be realized; and
2. be routed through the division/regional director (the director must sign the "recommended for approval" portion of the PIF) to the chief contracts officer for approval; and
3. include supporting documentation including the decision of either the director or the chief contracts officer and must be maintained in the project file.

Note: A "state's best interest" determination does not always require a PIF, but a PIF always requires a "state's best interest" statement.

DEFINITIONS

Construction or a derivative of the term construction: Construction, reconstruction, alteration, improvement or major repair.

Cost Effective: Efficient of labor, equipment, materials and supplies to assure the lowest overall cost.

Department: Department of Transportation and Public Facilities (DOT&PF)

Maintenance: The preservation of each type of highway, roadside structure and facility as nearly as possible in its original condition as constructed, or as subsequently improved, and the operation of highway facilities and services to provide satisfactory and safe highways (AS 19.45.001(10)).

State's best interest: There is no single or comprehensive definition established by statute or code that fits the term "*in the state's best interest*" for every occasion. In **2 AAC 12.415**, within the context of Single Source procurements (and which works for this document), is the definition: "*...a determination that is reasonable under the circumstances and is neither arbitrary, capricious, or prompted by corruption.*"

The terms, “*best interest*,” “*best interest of the public*,” “*best interest of the state*,” *best interest of the department*” and, “*advantageous to the state*” (or similar sentence structure should be considered synonymous terms.

AUTHORITY

AS 19.10.170(b), AS 35.15.010(b)

23 USC 112

23 CFR 635.119, 23 CFR 635.201-205, 23 CFR 635.309, 23 CFR 645.117(e)

Other Reference Sources

Alaska Construction Manual, Section 2.08.03 - Supplemental Agreements

IMPLEMENTATION RESPONSIBILITY

DOT&PF Chief Contracts Officer

DISTRIBUTION

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