



ALCOHOLIC
BEVERAGES
DIVISION
State of Iowa

Kim Reynolds Governor of Iowa
Adam Gregg Lieutenant Governor
Stephen Larson Administrator

June 25, 2018

Waiver approved

Janet Phipps, Director
Iowa Dept. of Administrative Services
Hoover Building, 3rd Floor
Des Moines, IA 50319

/s/ Janet E. Phipps
06/26/2018

Dear Director Phipps:

The Iowa Department of Commerce – Alcoholic Beverages Division (ABD) requests a waiver under DAS Administrative Rule 11-118.16 (8A) of the application of DAS Administrative Rule 11-118.11 (3) concerning the duration of services contracts. The latter rule states "A service contract, including all optional renewals, shall not exceed a term of six years." ABD is requesting a waiver with respect to the following contract under negotiation:

Ruan Corporation shall provide services to complete the fulfillment of spirits operations for ABD. The initial term of this contract is from January 1, 2019 to December 31, 2025 with a maximum of two (2) additional 2-year renewal periods.

The fore mentioned contract was competitively solicited in RFP0717212003 – Alcoholic Beverages Division Fulfillment of Spirits Operations by the Department of Administrative Services from May 4, 2017 through September 22, 2017. Multiple responses were received and evaluated. The Ruan response was determined to meet all mandatory requirements and was overall the best proposal received. ABD decided to move forward with an effort to establish a contract. An intent-to-award notice was issued February 13, 2018. The long contract period was determined necessary to allow potential contractors the ability to amortize their costs over more time and limit an extremely large initial investment for ABD.

Thank you for your time and consideration of this request for waiver.

Respectfully submitted:
Stephen Larson, ABD Administrator

Date: 6/26/2018

Approval: _____

Date: _____