

# **BOX ELDER COUNTY**

## **Purchasing Standards**

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## SECTION I. PURPOSE

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The purchasing standards contained herein establish a unified program that oversees purchasing, contracting, and the disposition of County assets in accordance with the Utah State Code. Purchasing and contracting is the process of acquiring all those goods and services that are deemed necessary by County organizations to provide the public services within the purview of those organizations. The provisions contained herein shall be liberally construed to accomplish this objective.

## SECTION II. DEFINITIONS

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Unless otherwise provided, the following definitions apply to this manual:

- (1) **“Building Improvement”**:
  - (a) means the construction or repair of a public building or structure; and
  - (b) does not include construction or repair at an international airport.
  
- (2) **“Consumer Price Index”** means the Consumer Price Index for All Urban Consumers as published by the Bureau of Labor Statistics of the United States Department of Labor.
  
- (3) **“County”** means Box Elder County.
  
- (4) **“Design-Build Project”**:
  - (a) means a building improvement or public works project costing over \$250,000 with respect to which both the design and construction are provided for in a single contract with a contractor or combination of contractors capable of providing design-build services; and
  - (b) does not include a building improvement or public works project:
    - (i) that is undertaken by a local entity under contract with a construction manager that guarantees the contract price and is at risk for any amount over the contract price; and
    - (ii) each component of which is competitively bid.

- (5) **“Design-Build Services”** means the engineering, architectural, and other services necessary to formulate and implement a design-build project, including its actual construction.
- (6) **“Emergency Repairs”** means a building improvement or public works project undertaken on an expedited basis to:
- (a) eliminate an imminent risk of damage to or loss of public or private property;
  - (b) remedy a condition that poses an immediate physical danger; or
  - (c) reduce a substantial, imminent risk of interruption of an essential public service.
- (7) **“Governing body”** means:
- (a) for a county, city, or town, the legislative body of the county, city, or town;
  - (b) for a local district, the board of trustees of the local district; and
  - (c) for a special service district:
    - (i) the legislative body of the county, city, or town that established the special service district, if no administrative control board has been appointed under Section 17D-1-301 of the Utah Code; or
    - (ii) the administrative control board of the special service district, if an administrative control board has been appointed under Section 17D-1-301 of the Utah Code.
- (8) **“Local District”** has the same meaning as defined in Section 17B-1-102 of the Utah Code.
- (9) **“Local Entity”** means a county, city, town, local district, or special service district.
- (10) **“Local Vendor”** means a vendor who pays sales tax, which is classified by the State Sales Tax Division as direct sales tax, to the County.
- (11) **“Lowest responsive responsible bidder”** means a prime contractor who:
- (a) has submitted a bid in compliance with the invitation to bid and within the requirements of the plans and specifications for the building improvement or public works project;

- (b) is the lowest bidder that satisfies the local entity's criteria relating to financial strength, past performance, integrity, reliability, and other factors that the local entity uses to assess the ability of a bidder to perform fully and in good faith the contract requirements;
  - (c) has furnished a bid bond or equivalent in money as a condition to the award of a prime contract; and
  - (d) furnishes a payment and performance bond as required by law.
- (12) **“Procurement Code”** means the provisions of Title 63G, Chapter 6a, Utah Procurement Code.
- (13) **“Public Works Project”**:
- (a) means the construction of:
    - (i) a park or recreational facility; or
    - (ii) a pipeline, culvert, dam, canal, or other system for water, sewage, storm water, or flood control; and
  - (b) does not include:
    - (i) the replacement or repair of existing infrastructure on private property;
    - (ii) construction commenced before June 1, 2003; and
    - (iii) construction or repair at an international airport.
- (14) **“Purchase Order”** means a binding contract which is used to accept the offer of a vendor to provide goods and services and is documented evidence that legal and proper expenditure of the monies controlled by the employees and elected officials of the County has been made.
- (15) **“Purchase Requisition”** means a request made in the current financial software of the County, which is then sent to the Auditor’s Office to prepare a purchase order to be given to the vendor.
- (16) **“Qualified Bidder”** means contractors, vendors, and consultants that have been pre-qualified based on qualifications and requirements as defined by the County through a RFP or RFQ.
- (17) **“Request for Proposals” or “RFP”** means a formal request by the County for written proposals from service providers, consultants, or vendors.

- (18) **“Request for Qualifications” or “RFQ”** means a formal request by the County for a written statement of an individual’s or company’s qualifications to provide professional services, in order to develop a list of candidates meeting desired qualifications.
- (19) **“Special Service District”** means a limited purpose local government entity, as described in Section 17D-1-103 of the Utah Code, that:
- (a) is created under authority of the Utah Constitution Article XI, Section 7;  
and
  - (b) operates under, is subject to, and has the powers set forth in Title 17D, Chapter 1 of the Utah Code.
- (20) **“Store Revolving Charge Account”** means a dedicated line of credit with a business in which the revolving account can only be used at that store.
- (21) **“Vendor”** means:
- (a) a bidder;
  - (b) an offeror; or
  - (c) a contractor, including an architect or an engineer.

## **SECTION III. GENERAL PROVISIONS**

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### **A. Responsibilities**

- (1) The County Auditor shall be the manager of the purchasing system established by the provisions contained herein. Purchasing procedures shall be designed by the County Auditor in accordance with State Law and as approved by the County Commission.
- (2) Individual department heads and elected officials shall manage purchasing transactions for their areas of responsibility, including when an advertised bidding process is required.

- (3) The County Commission shall set purchasing policies and give general direction to the purchasing process. Commission members shall also sign documents and authorize transactions as required by county policy or state law.

## **B. Forms of Payment**

- (1) Any purchase of goods or services should be completed using one of the following methods of payment depending on the circumstance:
  - (a) County purchasing card;
  - (b) Creating a purchasing requisition in the county's financial software; or
  - (c) Using a County gas card, for purchases of gas for county owned vehicles.
- (2) Purchases shall not be made on a store revolving charge account.
- (3) A request for payment will also be used for any department:
  - (a) without network access to the financial software;
  - (b) for items over \$2,500; and
  - (c) that cannot be purchased with a purchasing card.

## **C. Applicability of the Utah Procurement Code**

- (1) In accordance with section 63G-6A-402 of the Utah Code, Box Elder County hereby establishes this procurement policy.
  - a. If any provision contained herein conflicts with Utah law, the Utah law shall control and all other provisions shall be given full effect.
- (2) If a procurement policy or issue is not addressed in this manual, the section 63G-6A-402 of the Utah Code is controlling.

# **SECTION IV. PURCHASING REQUIREMENTS**

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## **A. Authorized Expenditures**

- (1) Expenditures may be made for amounts authorized by the Box Elder County Commission in approving the annual operating budget or in revisions thereto.

## **B. Purchase Requisition Procedures**

- (1) A purchase requisition is required for:
  - (a) purchases having a total cost of \$2,500; or
  - (b) for any services provided to the County.
  
- (2) When a purchase requisition is required, the purchase requisition shall be created before a purchase is made and must contain:
  - (a) information regarding the requesting department;
  - (b) the budget account to be charged;
  - (c) the item or items to be purchased; and
  - (d) the cost of the individual items.
  
- (3) Items or services purchased shall be explained by sufficient descriptive verbiage to make clear their rationale and use to the staff of the County Auditor and the members of the County Commission. Part numbers alone shall not be sufficient.
  
- (4) Any person making a purchase requisition must:
  - (a) Get approval from the department head or elected official electronically through the purchasing system, prior to issuance of the purchase order.
  - (b) All purchase requisitions totaling \$10,000 or more will require a second approval electronically by the County Auditor.
  
- (5) Monthly utilities and other maintenance agreements may be created under one requisition based on an annual expense use with the vendor.

## **C. Purchase Order Procedures**

- (1) Purchase orders are required when purchasing multiple pieces of equipment that are less than \$2,500 each, but have a total purchase price greater than \$2,500.
  
- (2) After the Auditor's Office has created the purchase order, a copy shall be emailed to the requesting department for completion of the transaction.
  
- (3) Purchase orders will be created by the Auditor's Office and must issue in advance of the transaction.

- (4) Blanket purchase orders or authorizations to make a number of discrete purchases from one purchase order, may be created from a designated purchase requisition.
  - (a) A minimum of four (4) discrete purchases estimated over a calendar are required for a blanket purchase order.
  - (b) Payments for a blanket purchase order will be paid with submission of an invoice referencing the purchase order number.
  
- (5) Before payment is made by the Auditor's Department, all invoices and other documents which provide verification of the purchase amounts:
  - (a) shall reference the purchase order; and
  - (b) shall be signed by the department head or a designated employee indicating that all goods or services were received as indicated on the invoice.
  
- (6) Account summary statements can only be used for verification of purchase amounts and as support for payments only if first approved by the County Auditor or other individual authorized to act in their absence.
  
- (7) When the appropriate documents have been obtained, the Auditor's Office will process all purchase orders and pay claims or invoices based on those purchase orders following procedures required by the County Auditor and in accordance with generally accepted principles of accounting and financial management.
  
- (8) Purchase orders must accompany all expenditures of the County except as otherwise authorized herein.

#### **D. Direct Payments**

- (1) The County Auditor may authorize direct payments without a purchase order for such ongoing County commitments as utility bills, properly authorized bond payments, payroll related expenses, etc.

## **E. Vendor Information**

- (1) The department purchasing the item or service must provide vendor information requested by the auditor's office for any new vendor.
  - (a) All new vendors must provide a W-9 form or other appropriate documentation before they can be approved for payment.

## **F. Emergency Purchases**

- (1) Exceptions to the policy for creation of purchase orders in section IV(B) shall be made only upon an emergency basis, as determined by the department head.
- (2) A department head shall give the County Auditor advance notice regarding any such emergency situation, if possible, or if advance notice is not feasible, the department shall give notice as soon as practical thereafter.
- (3) Continual or insufficiently justified emergency purchases shall be investigated by the County Auditor and reported to the County Commission.

## **G. Payment for Amounts in Excess of Authorized Purchase**

- (1) When the exact price of an item or service exceeds the amount of the purchase order, the County Auditor may authorize payment within ten percent (10%) or five hundred dollars (\$500) whichever is lesser of the purchase order amount.
- (2) If the overage exceeds these limits, a new purchase order will be prepared for the amount of the overage.

## **H. Preference for Local Vendors**

- (1) Purchases should be made within the local area whenever the required material, supplies or services are available and may be purchased for a price that is economically justifiable after the return that local purchases provide to the local economy has been considered.
- (2) If the local vendor is within 5% of the lowest price, up to a maximum of \$1,500, the County should make the purchase from the local vendor.

## I. Prequalification of Potential Vendors

- (1) The County may, in accordance with this section:
  - (a) prequalify potential vendors to provide any type of procurement item specified by the County; and
  - (b) limit participation in an invitation for bids, a request for proposals, or an approved vendor list to the prequalified potential vendors for the specified type of procurement item.
  
- (2) To prequalify potential vendors to provide a specified type of procurement item, the County shall issue a request for qualifications.
  
- (3) If the County issues a request for qualifications, the County shall:
  - (a) publish the request for qualifications in accordance with the requirements of Section 63G-6a-402 of the Utah Code;
  - (b) state in the request for qualifications:
    - (i) the type of procurement item to which the request for qualifications relates;
    - (ii) the scope of work to be performed;
    - (iii) the instructions and the deadline for providing information in response to the request for qualifications;
    - (iv) the minimum criteria for prequalification;
    - (v) the period of time during which the list of prequalified potential vendors will remain in effect, which may not be longer than 18 months after the list of prequalified potential vendors is made available to the public under Section IV.I.8.b.; and
    - (vi) that a procurement unit may limit participation in an invitation for bids or a request for proposals, during the time period described in Section IV.I.3.b.v., to the potential vendors that are prequalified to provide the specified type of procurement item.
  
- (4) The minimum criteria described in Section IV.I.3.b.iv.:
  - (a) shall include the prequalification requirements unique to the procurement;
  - (b) may include performance rating criteria; and
  - (c) may not be so restrictive that the criteria unreasonably limit competition.

- (5) The County may, before making a final list of prequalified vendors, request additional information to clarify responses made to the request for qualifications.
- (6) A potential vendor shall be included on the list of prequalified potential vendors if the vendor:
  - (a) submits a timely, responsive response to the request for qualifications; and
  - (b) meets the minimum criteria for qualification described in Subsection Section IV(I)(3)(b)(iv).
- (7) If a request for qualifications will result in only one vendor being placed on the list of prequalified potential vendors:
  - (a) the procurement unit shall cancel the request for qualifications; and
  - (b) the list may not be used by the procurement unit.
- (8) The County shall:
  - (a) before making the list of prequalified potential vendors available to the public, provide each potential vendor who provided information in response to the request, but who did not meet the minimum qualifications for placement on the list, a written justification statement describing why the potential vendor did not meet the criteria for inclusion on the list; and
  - (b) within 30 days after the day of the deadline described in Section IV(3)(b)(iii), make the list of prequalified potential vendors available to the public.

## **J. Approved Vendor List**

- (1) The process described in this subsection may not be used for construction projects that cost more than an amount as provided in Section IV(A).
- (2) The County may compile a list of approved vendors from which procurement items may be obtained.
- (3) An approved vendor list may only be compiled from timely, responsive responses received under Section IV(I) or the process described in Title 63G, Chapter 6A, Part 15 of the Utah Code.

- (4) In order to ensure equal treatment of vendors on an approved vendor list, for services other than the services described in Subsection \_\_\_\_\_ the procurement unit shall use one of the following methods in an unbiased manner:
- (a) a rotation system, organized alphabetically, numerically, or randomly;
  - (b) assigning vendors to a specified geographical area; or
  - (c) classifying each vendor based on each vendor's particular expertise, qualifications, or field.
- (5) For a construction project that costs less than the amount as provided in Section IV(A), the County shall select a potential construction contractor from an approved potential contractor list, using an invitation for bids or a request for proposals.
- (a) For architectural or engineering services for a construction project described in Section IV(J)(5)(a), the County shall select a potential contractor from an approved potential contractor list:
    - i. using a rotation system, organized alphabetically, numerically, or randomly;
    - ii. assigning a potential contractor to a specified geographical area; or
    - iii. classifying each potential contractor based on the potential contractor's field or area of expertise.
- (6) The County may not use an approved vendor list described in this subsection for a construction project with a cost that is equal to or greater than the amount as provided in Section IV(A).
- (7) After selecting a potential contractor under Section IV(J)(5)(a), a procurement unit shall enter into fee negotiations with the potential contractor.
- (a) If, after good faith negotiations, the County and the potential contractor are unable to negotiate a fee that is acceptable to both parties, the County shall select another contractor under Section IV(J)(5)(a) and enter into fee negotiations with that potential contractor.

## **SECTION V. PAYROLL PAYMENTS**

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### **A. Payroll**

- (1) Electronic Automated Clearing House transfers and transmittal checks are used to pay employees, governmental agencies, and insurance companies for employee payroll and benefit related items.
- (2) All payroll transactions are performed by the Human Resource Department or County Auditor's Office.
- (3) Reconciliations are also reviewed by the County Auditor's Office.

## **SECTION VI. COMMERCIAL CARD PROGRAM**

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### **A. Purpose**

- (1) The purpose of the Box Elder County Commercial Card Program is to establish a more efficient, cost-effective method of purchasing and payment for small dollar transactions.
- (2) The program is designed to replace a variety of processes including small dollar purchase orders and employee expense reimbursements.
- (3) All cards are issued and utilized in accordance with County policies.
- (4) Card usage may be audited and/or rescinded at any time.
- (5) The individual named on the card is the only person entitled to use the card.

### **B. Card Issuance**

- (1) A holder of a Box Elder County Commercial Card will be asked to complete a cardholder agreement.
  - (a) By signing the agreement, cardholders agree to adhere to the guidelines established in this manual. (Refer to Appendix I for an example of the cardholder agreement.)

- (b) The card holder is the only person entitled to use the card and the card is not to be used for personal use.
  - (c) As each Commercial Card is linked to a specific area number and individual employee, the card cannot be transferred from one employee to another.
  - (d) If a cardholder moves to another area, the card holder should contact the Program Administrator to make the necessary changes. However, the card holder should be able to retain the card.
- (2) Upon receipt of the card holder's WellsOne Commercial Card, the card holder will need to activate the account by calling the toll-free number printed on the card.
- (a) For verification purposes, the card holder will be asked to provide their unique ID, which is the last four (4) digits of their social security number.
  - (b) Although the card will be issued in the card holder's name, the card holder's personal credit history will not affect their ability to obtain a card.
- (3) The County is responsible for payment of all purchases.

### **C. Account Maintenance**

- (1) If there is a need to change any information regarding the cardholder's account, such as mailing address or expense accounting code, cardholders should contact the Program Administrator.

### **D. Card Usage**

- (1) The WellsOne Commercial Card can be used at any merchant that accepts Visa, except as the County otherwise directs.
- (a) The card may be used for in-store purchases as well as online, phone, fax or mail orders.
  - (b) There is no special terminal or equipment needed by the Visa merchant to process a card transaction.
- (2) When cardholders use the card with merchants, they should emphasize that an invoice must not be sent as this may result in a duplicate payment.
- (a) For online, phone, fax and mail orders, cardholders should instruct the merchant to only send a receipt.
  - (b) This receipt must be retained for the cardholder's records.

## **E. Vendors Not Accepting Visa**

- (1) If a cardholder encounters a vendor that does not accept Visa, the cardholder should contact the Program Administrator.
  - (a) The administrator will work with Wells Fargo Bank to communicate the County's desire, and the benefits, of accepting Visa.
  - (b) Alternatively, a cardholder may advise the vendor to contact its local bank for details of becoming a Visa member.

## **F. Limitations and Restrictions**

- (1) Your Department Head assigns limits to the cardholder's card.
  - (a) There may be a single transaction limit placed on the card, which means the cardholder's card will be declined if they attempt to purchase more than this set amount at one time.
- (2) Cardholders should not split a purchase to avoid the single transaction limit.
  - (a) If a cardholder believes that the single transaction limit will inhibit optimum usage of the Program, the cardholder should discuss this with your Manager.
- (3) In addition to the single transaction limit, every cardholder has a total monthly dollar limit assigned to his/her account.
  - (a) If the cardholder believes his/her monthly limit to be insufficient for the requirements, the cardholder should discuss this with their Department Head, who should contact the Program Administrator.
  - (b) The cardholder's limit is replenished at the start of each month.
- (4) The WellsOne Commercial Card Program also allows for Merchant Category blocking.
  - (a) If a particular Merchant Category is blocked (e.g., jewelry stores), and a cardholder attempts to use the card at such a merchant, the purchase will be declined.
  - (b) If a cardholder's card is refused at a merchant where the cardholder believes it should have been accepted, the cardholder should call Wells Fargo Business Purchasing Service Center at 1-800-932-0036 to determine the reason for refusal.

## **SECTION VII. VEHICLES, EQUIPMENT, & MAJOR IMPROVEMENTS**

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### **A. Purpose**

- (1) It is the intent of Box Elder County to spend the least amount of money for the best quality item or service provider that will accomplish the desired job or service.
- (2) Bids, Request for Proposals, and Request for Qualifications are intended:
  - (a) to serve the purpose in section VII.A.1;
  - (b) to allow departments and divisions the opportunity to review other available goods and services that could serve the purpose intended as well as, or better than, the particular item or service provider they may have originally considered; and
  - (c) help the department or division become more knowledgeable of goods and services that are presently on the market.

### **B. Purchase of Vehicles**

- (1) The County Fleet Division shall purchase all vehicles and equipment used by the County in accordance with this section.
- (2) The Fleet Division will be responsible for managing the County's Fleet Program and all County vehicles/equipment purchased under the program will be owned, maintained and surplus by the Fleet Division.
- (3) The Division shall solicit user input when specifications are being prepared.

### **C. Conformance with Budget**

- (1) All purchases or encumbrances shall be comply with the budget set by the County Commission as part of the annual operating budget or as part of a revision to that budget.

### **D. Bid Limits**

- (1) Bid limits shall be:
  - (a) for a building improvement:

- i. the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the Consumer Price Index during the previous calendar year.
- (b) for a public works project:
  - i. the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the Consumer Price Index during the previous calendar year.
- (c) adjusted each year based on the Consumer Price Index.

## **E. Requirements for Undertaking a Building Improvement or Public Works Project**

- (1) If the County intends to undertake a building improvement or public works project paid for by the County, the County shall cause:
  - (a) plans and specifications to be made for the building improvement or public works project; and
  - (b) an estimate of the cost of the building improvement or public works project to be made.
  
- (2) If the estimated cost of the building improvement or public works project exceeds the bid limit, the County shall, if it determines to proceed with the building improvement or public works project:
  - (a) request bids for completion of the building improvement or public works project by:
    - (i) (A) publishing notice at least twice in a newspaper published or of general circulation in the local entity at least five days before opening the bids; or
    - (B) if there is no newspaper published or of general circulation in the local entity as described in subsection E.2.a.i., posting notice at least five days before opening the bids in at least five public places in the local entity and leaving the notice posted for at least three days; and
    - (ii) publishing notice in accordance with section 45-1-101 of the Utah Code, at least five days before opening the bids; and

- (b) except as provided in Section E.2.6. below, the County may enter into a contract for the completion of the building improvement or public works project with:
  - (i) the lowest responsive responsible bidder; or
  - (ii) for a design-build project formulated by the County, except as provided in section 11-39-107, a responsible bidder that:
    - (A) offers design-build services; and
    - (B) satisfies the local entity's criteria relating to financial strength, past performance, integrity, reliability, and other factors that the local entity uses to assess the ability of a bidder to perform fully and in good faith the contract requirements for a design-build project.
- (3) Each notice under Section E.2.a.1 shall indicate that the local entity may reject any or all bids submitted.

## **F. Request for Bids**

- (1) All improvement projects or projects requiring professional services that are estimated to range in cost between \$25,000 and the annually adjusted bid limits shall not require formal advertisement for public bid but shall include information such as, specifications, drawings, or other information adequate enough to solicit at least three (3) formalized quotes or bids from qualified bidders, unless documentation supports that there are less than three bidders capable of completing the project.
- (2) All projects estimated to range in cost from \$2,500 to \$25,000 shall receive competitive quotes from two (2) or more contractors or service providers.
- (3) All improvement projects or projects requiring professional services that exceed the annually adjusted bid limit for their respective departments shall follow the "sealed bid" bidding process.
- (4) All construction projects of the County must follow the guidelines in this section.

- (5) All other purchases made by the County, including professional services, should receive competitive quotes for any project \$2,500 and over, and any item (i.e., equipment) \$2,500 and over unless:
  - (a) state contracts are used in lieu of competitive bids.
- (6) A record of all quotes received will be maintained by the County Auditor.
- (7) RFP's and/or RFQ's shall be used for all contracts for professional services not conducive to awards based on a competitive price basis.
  - (a) The determination to utilize an RFP and/or RFQ process for securing professional services shall be made on a case by case basis by the head of the department seeking to secure such services.
- (8) When deemed to be in the best interest of the County, contractors, vendors and consultants may be pre-qualified based on qualifications and requirements as defined by the County through a RFP or RFQ process.
- (9) Documents requesting bids or proposals are available to all vendors and should be advertised according to this policy.

## **G. Rejecting Bids and Proposals or Taking Bids Other Than the Low Bid or Proposal**

- (1) All bids or proposals may be rejected and a re-bid called for, or the County may accept a bid or proposal other than the low bidder under the following circumstances:
  - (a) the bids or proposals exceed funding limits;
  - (b) errors and omissions were discovered in a submitted bid that are material;
  - (c) bidding instructions were not appropriately followed;
  - (d) material changes in the project scope of work rendering the bids unusable;
  - (e) it is not in the best interest of County to accept any of the offered bids or proposals; or
  - (f) low bidder has a pending dispute with County on a previous project.
- (2) The reason for each individual bid or proposal rejection must be recorded and forwarded to the County Commission for final approval.

- (3) Documentation for rejecting bids and proposals or accepting a bid or proposal other than the low bid or proposal, shall be forwarded to the County Auditor after the final approval is obtained.
- (4) The County may reject any or all bids submitted.
  - (a) If the County rejects all bids submitted but still intends to undertake the building improvement or public works project, the County shall again request bids by following the procedure provided in Section E.2.a.
  - (b) If, after twice requesting bids by following the procedure provided in Section E.2.a., the local entity determines that no satisfactory bid has been submitted, the governing body may undertake the building improvement or public works project as it considers appropriate.
- (5) The cost of a building improvement or public works project may not be divided to avoid:
  - (a) exceeding the bid limit; and
  - (b) subjecting the local entity to the requirements of this section.
- (6) Notwithstanding Section G.5., the County may divide the cost of a building improvement or public works project that would, without dividing, exceed the bid limit if the County complies with the requirements of Section E.2. with respect to each part of the building improvement or public works project that results from dividing the cost.

## **H. State Bids or Proposals**

- (1) The County may use state procurement contracts for purchases when local vendors are unable to supply goods and services and when necessary to ensure competitive pricing.
- (2) State contracts may also be used in lieu of competitive bids when approved.

## **I. Final Approval of Bids or Proposals**

- (1) The department or division head, County Engineer, County Auditor or a properly appointed committee, shall review all bid or proposal tabulations and

documents resulting from a request for bids, RFP, or RFQ before the final bid or proposal is awarded.

- (2) All bids and proposals shall only be awarded to vendor(s) through the following process:
  - (a) Projects formally advertised for bid shall use the County standard contract form, except vehicles and equipment purchased in advance by the Fleet Division, which may use bids and purchase orders as the contract.
  - (b) Projects awarded by quotes may use a modified version of the contract form.
  - (c) Any contract that is not prepared by the County must be approved by the County Attorney prior to being signed by the Commission.
- (3) All other purchases under the limits as defined in this Purchasing Manual shall be approved through the regular purchase order process.
  - (a) An exception may be allowed for capital projects and maintenance/enhancement projects that have pay request forms specifically created for these projects which may be used in lieu of the approved purchase order.

## **J. Bid or Proposal Purchase Period**

- (1) Bid or proposal awards shall be assumed by the County to be binding and functional for a period of one year after the award, or for any portion of that year in which the vendor agrees to provide the equipment or materials subject to the award at the bid price.

## **K. File of Bids Received and Proof of Advertisement**

- (1) Whenever the County is required by law to receive bids for purchases, construction, repairs, or any other purpose requiring the expenditure of funds, that city shall keep on file all bids received, together with proof of advertisement by publication or otherwise, for:
  - (a) at least three years following the letting of any contract pursuant to those bids; or
  - (b) three years following the first advertisement for the bids, if all bids pursuant to that advertisement are rejected.

## **L. Disposition of Surplus Property**

- (1) In accordance with Utah State Law, except for the disposal of County-owned real property, the County may dispose of surplus property/equipment by public auction, sealed bids, or by other means established by this policy.
  - (a) If sold by sealed bids, all surplus items shall be advertised at least one time in a newspaper of general circulation and available for display during normal working hours by the general public.
  - (b) If no sealed bids are received, the County may dispose of any property/equipment at the County's discretion.
  
- (2) Any surplus property/equipment owned by the County that is information technology equipment or a personal handheld device may be purchased by the person it has been issued to for the market value.

## **SECTION VIII. GRANT OPERATIONS**

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### **A. Purpose**

- (1) Due to the number and magnitude of grants annually approved by the County, a Grant Tracking and Reporting Process is established to review, approve and track all grants that are applied for and received by the County.

### **B. Grant Application Procedure**

- (1) All grant applications for Box Elder County will be submitted to the County Commission and the County Auditor for approval.
  - (a) The applications shall contain a one-page summary describing the purpose of the grant and all funding sources including local matches.
  
- (2) All grants will be tracked internally for recording and financial management as follows:
  - (a) When the County receives grants, whether from the US Government, State or private donations, the executed contracts should be forwarded immediately to the County Clerk and copied to the County Auditor.

- (b) The County Auditor shall be sent all reimbursement request summaries so they can inform the appropriate department when the funds are received and to follow up on any delays that may occur.
  - (c) All supporting documents shall be kept with reimbursement requests to maintain an audit trail for grantors as well as required independent audits.
  - (d) When funds are passed through to other entities, the department head shall take the appropriate steps to make sure the funds are spent in accordance with grant criteria.
- (3) All employees initiating grants will ensure:
- (a) Grants and grant records are forwarded to the County Auditor, County Clerk and County Commission
  - (b) Reports are made in a timely manner
  - (c) Employees are aware of the terms of their respective programs
- (4) At the appropriate time each year, a grant checklist and reimbursement summary for each grant for the fiscal year shall be submitted to the County Auditor by all departments receiving grants.
- (a) All documentation shall be available upon request.

## SECTION IX. CONSTRUCTION AND MAINTENANCE OF CLASS B & C ROADS

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### A. Definitions

- (1) The following definitions apply to this section:
- (a) "**Bid limit**" means:
    - (i) for the year 2003, \$125,000; and
    - (ii) for each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the Consumer Price Index during the previous calendar year.

(b) "**Construction**":

(i) means the work that would apply to:

1. any new roadbed either by addition to existing systems or relocation;
2. resurfacing of existing roadways with more than two inches of bituminous pavement; or
3. new structures or replacement of existing structures, except the replacement of drainage culverts.

(ii) does not include maintenance, emergency repairs, or the installation of traffic control devices as described in Section 41-6a-302 of the Utah Code.

(c) "**Improvement project**" means construction and maintenance as defined in this section except for that maintenance excluded under Section IX.A.2.

(d) "**Maintenance**" means the keeping of a road facility in a safe and usable condition to which it was constructed or improved, and includes:

- (i) the reworking of an existing surface by the application of up to and including two inches of bituminous pavement;
- (ii) the installation or replacement of guardrails, seal coats, and culverts;
- (iii) the grading or widening of an existing unpaved road or flattening of shoulders or side slopes to meet current width and safety standards; and
- (iv) horizontal or vertical alignment changes necessary to bring an existing road in compliance with current safety standards.

(e) "**Project**" means the performance of a clearly identifiable group of associated road construction activities or the same type of maintenance process, where the construction or maintenance is performed on any one class B or C road, within a half-mile proximity and occurs within the same calendar year.

## **B. Maintenance Work Not Subject to Contract or Bid Limit Requirements**

- (1) The following types of maintenance work are not subject to the contract or bid limit requirements of this section:
  - (a) the repair of less than the entire surface by crack sealing or patching; and
  - (b) road repairs incidental to the installation, replacement, or repair of water mains, sewers, drainage pipes, culverts, or curbs and gutters.

## **C. Estimates Lower than Bids**

- (1) If the estimates of a qualified engineer referred to in Section \_\_\_\_\_ are substantially lower than any responsible bid received or in the event no bids are received, the county or municipality may perform the work by force account.
  - (a) In no event shall "substantially lower" mean estimates that are less than 10% below the lowest responsible bid.
- (2) If a county or municipality performs an improvement project by force account, it shall:
  - (a) provide an accounting of the costs and expenditures of the improvement including material, labor, and direct equipment costs to be calculated using the Cost Reference Guide for Construction Equipment by Dataquest Inc. or the Federal Emergency Management Agency schedule of equipment rates;
  - (b) disclose the costs and expenditures to any person upon request and allow the person to make a copy and pay for the actual cost of the copy; and
  - (c) perform the work using the same specifications and standards that would apply to a private contractor.

## **D. Improvement Projects**

- (1) A county executive for class B roads and the municipal executive for class C roads shall cause plans, specifications, and estimates to be made prior to the construction of any improvement project, as defined in Section IX.A., on a class B or C road if the estimated cost for any one project exceeds the bid limit as defined in Section IX.A. for labor, equipment, and materials.

- (2) All projects in excess of the bid limit shall be performed under contract to be let to the lowest responsible bidder.
  - (a) If the estimated cost of the improvement project exceeds the bid limit for labor, equipment, and materials, the project may not be divided to permit the construction in parts, unless each part is done by contract.

## **E. Advertisement of Bids**

- (1) The advertisement on bids shall be published:
  - (a) in a newspaper of general circulation in the county in which the work is to be performed at least once a week for three consecutive weeks; and
  - (b) in accordance with Section 45-1-101 of the Utah Code for three weeks.
- (2) If there is no newspaper of general circulation as described in Subsection IX.E.1, the notice shall be posted for at least 20 days in at least five public places in the county.

## **F. Awarding or Rejecting Bids**

- (1) The county or municipal executive or their designee shall receive sealed bids and open the bids at the time and place designated in the advertisement.
- (2) The county or municipal executive or their designee may then award the contract but may reject any and all bids.
- (3) The person, firm, or corporation that is awarded a contract under this section is subject to the provisions of this Manual and the Procurement Code.
- (4) If any payment on a contract with a private contractor for construction or improvement of a class B or C road is retained or withheld, the payment shall be retained or withheld and released as provided in Section 13-8-5 of the Utah Code.

## **APPENDIX A      EXAMPLE OF BID ADVERTISEMENT**

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### **ADVERTISEMENT FOR BID STREET MAINTENANCE PROJECTS BOX ELDER COUNTY**

RECEIPT OF BIDS: Sealed bids will be received at Box Elder County, 01 South Main Street, Brigham City, Utah until 2:00 p.m. on June 1, 2013, for the \_\_\_\_\_ STREET MAINTENANCE PROJECTS.

DESCRIPTION OF WORK: The work includes approximately 4,600 tons of asphalt overlay, 161,000 s.y. of chip seal, 76,700 s.y. of fog seal, 23,200 s.y. of asphalt milling, and miscellaneous

removal and replacement of concrete flatwork, ramps, approaches, and curb and gutter sections. The work also includes furnishing and installing eight inches or less of untreated base course and three inches of bituminous paving for approximately 6,300 feet of road on West Forest Street located west of Interstate 15.

LOCATION OF THE WORK: The work is located at various locations throughout Box Elder County

COMPLETION OF THE WORK: All work for Schedule A - Overlays shall be completed by Sept. 15, 2004; Schedule B - Chip Seal and Schedule C - Fog Coat shall be completed by August 15, 2004; Schedule D - Concrete Work shall be completed by August 30, 2013; and Schedule E - West Forest Street Paving shall be completed by July 30, 2013.

OPENING OF BIDS: The bids will be publicly opened at 2:00 p.m. on June 1, 2013 at the Box Elder County Offices, 01 South Main Street, Brigham City, Utah.

OBTAINING CONTRACT DOCUMENTS: Contract documents, including drawings and technical specifications, may be obtained at the office of the Engineer, Jones and Associates, 4768 S. Harrison Blvd., Ogden, Utah, and at the Box Elder County Offices, 01 South Main Street, Brigham City, Utah. Plans will be available after May 12<sup>th</sup>.

BID SECURITY: Each bid shall be accompanied by a certified check, cashier's check or bid bond in the amount of five percent (5%) of the total bid price payable to BOX ELDER COUNTY as a guarantee that the bidder, if his bid is accepted, will promptly execute the contract, secure payment of worker's compensation insurance and furnish a satisfactory, faithful performance bond in the amount of one hundred percent (100%) of the contract price and a payment bond in the amount of one hundred (100%) of the contract price.

WAITING PERIOD BEFORE AWARD: A waiting period of 30 calendar days from the date of opening of bids to award of contract may be required. Bidder's shall assume full responsibility for and shall guarantee the bid price during this period and make certain the time period is stated in and does not restrict the proposal guarantee.

PROJECT ADMINISTRATION: All questions relative to this project prior to the opening of bids shall be directed to the Project Engineer. It shall be understood, however, that no specification interpretations will be made by telephone, nor will any "or equal" products be considered for approval prior to award of contract.

OWNER'S RIGHTS RESERVED: The Owner reserves the right to reject any or all bids, to waive informality in a bid, and to make awards in the interest of the Owner.

Dated this \_\_\_ day of \_\_\_\_\_ 20\_\_

By: Marla Young, County Clerk

Published:

## **APPENDIX B      STANDARD NOTICE OF AWARD, CONTRACT AND NOTICE TO PROCEED**

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### **NOTICE OF AWARD**

TO:

PROJECT DESCRIPTION:

The Owner has considered the bid proposal submitted by you for the above-described work in response to its Receipt of Proposals dated the \_\_\_ day of \_\_\_\_\_, 20\_\_, and information to bidders.

You are hereby notified that your proposal has been accepted for the \_\_\_ (Project) \_\_\_ for Box Elder County on an as needed basis in the amount of \$\_\_\_\_\_.

You are required under the terms of the Proposal and the Information for Bidders to execute the Contract Agreement and furnish the required bonds and certificates of insurance within ten (10) calendar days from the date of this notice. If you fail to do so, said owner will be entitled to consider all your rights arising out of the Owner's acceptance to your bid to be abandoned. The Owner will be entitled to such rights as may be granted by law.

You are required to return an acknowledged copy of this Notice of Award to the Owner.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

---

### ACCEPTANCE OF NOTICE

Receipt of the foregoing Notice of Award is hereby acknowledged

BY:

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

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### CONTRACT AGREEMENT

This contract made and entered into the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, between BOX ELDER COUNTY, hereinafter called the OWNER, and (Insert Contractor Name) hereinafter called the CONTRACTOR.

#### PART I - Statement of Work

CONTRACTOR shall furnish all materials, equipment and personnel necessary to complete the (Insert Project Name). The work shall be accomplished in accordance with the Plans and Specifications prepared by BOX ELDER COUNTY. Specifications are incorporated herein by reference.

#### Part II - Period of Performance

The CONTRACTOR shall complete all work under this contract on or before the \_\_ day of \_\_\_\_\_ 20\_\_, and if project is not complete by the end of the contract time, liquidated damages in the amount of \$\_\_\_\_\_ per calendar day shall be assessed on the project for each additional calendar day until the project is

certified by the OWNER as being complete. CONTRACTOR also agrees to complete the project free of any and all contractors' liens.

Part III - Consideration

For and in consideration of the performance of this contract, the CONTRACTOR shall be paid:  
\$\_\_\_\_\_

Part IV - Special Provisions

- A. Wage Rate - N.A.
- B. Terms and Conditions:
  - (1) CONTRACTOR shall deliver to the owner workers compensation coverage verification and certificates of insurance naming the OWNER (Box Elder County) and its elected and appointed officials, employees, agents, volunteers and others working on behalf of the OWNER as additional insured.
  - (2) Indemnification: CONTRACTOR, at its own expense, agrees to protect, indemnify, pay on behalf of, defend and hold harmless Box Elder County, its elected and appointed officials, employees and volunteers and their agents from all claims, demands, judgments, expenses, and all other damages of every kind and nature, made, rendered, or incurred by or in behalf of any person or persons whomsoever, including the parties hereto and their employees, which may arise out of any act of failure to act, work or other activity related in any way to this project under this contract, by the Contractor, Contractor's agents, employees, subcontractors, or suppliers in the performance and execution of this contract.

OWNER: BOX ELDER COUNTY

CONTRACTOR:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Attest: \_\_\_\_\_ Contractor's License No: \_\_\_\_\_  
City Recorder

**NOTICE TO PROCEED**

TO:

PROJECT:

OWNER: **Box Elder County**

AMOUNT OF CONTRACT: \$

You are hereby notified to commence work on the referenced contract on or before \_\_\_\_\_ and shall fully complete all of the work of said contract by the date noted below. Your completion date is therefore \_\_\_\_\_.

The contract provides for an assessment of \$\_\_\_\_\_ as liquidated damages for each consecutive calendar day after the above established contract date that the work remains incomplete.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

### ACCEPTANCE OF NOTICE

Receipt of the foregoing Notice to Proceed is hereby acknowledged this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

## APPENDIX C QUOTES

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### CRACK SEAL WORK QUOTES

PROPOSAL SUBMITTED TO:		PHONE:	DATE:
STREET:		JOB NAME:	DIVISION:
CITY, STATE, & ZIP CODE:		JOB LOCATION:	
JOB DESCRIPTION:			
<b>PROPOSALS MUST BE RETURNED BY</b>			
<b>BIDDING SCHEDULE</b>			
(attach additional copies if needed)			
Item	Description	Unit Price	
1		\$	/l.f.
2		\$	/l.f.
3		\$	/s.f.

4		\$ /s.f.
5		\$ /s.f.
Contractor will be responsible for and be required to follow MUTCD Standard Requirements for Traffic Control.		
A bid bond will not be required. However, the contractor who is selected to perform the work shall promptly execute a contract if so required, secure worker's compensation and liability insurance and furnish a satisfactory and faithful performance bond in the amount of 100% of the contract price and a payment bond in the amount of 100% of the contract price.		
The contractor shall warrant and guarantee that the material and workmanship of the improvements provided for hereunder, and every part thereof, remain in good condition for a period of one (1) year after the date of completion and written acceptance by the owner and the contractor agrees to make all repairs to and maintain the improvements and every part thereof, in good condition during that time, at no cost to the owner.		
It is understood that the quantities stated are approximate only and are for the purpose of comparing bids and the payments will only be made on the basis of the above unit prices in the actual quantities, as determined by the owner's engineer in the completed work. Note: The contractor response time is of the essence. Contractor shall respond to requests for services within 10 business days, or the County shall reserve the right to solicit work from an alternate contractor.		
<b>We Propose</b> ---- hereby to furnish material and labor in accordance with above specifications for the sum of: \$_____.		
All material is guaranteed to be as specified. All work shall be completed in a workmanlike manner according to Box Elder County. Any alteration or deviation from above specifications involving extra costs will be executed only upon a written change order, and will become an extra change over and above the estimate. This proposal is based on estimated quantities. Final billing will reflect actual units installed. Written Change Orders are not required for change in unit quantities. Note: This proposal may be withdrawn by us if not accepted within thirty (30) days.  Authorized Signature: _____ Company: _____		