

UTAH COUNTIES INDEMNITY POOL PROCUREMENT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The Board originally adopted the Purchasing Policy on August 18, 2016.
2. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the purchasing practices of interlocal agencies are amended in a manner which would require review and update to this policy.
3. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
4. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. This policy outlines the policy of the Board related to purchases made using UCIP funds.
2. The underlying purposes of this policy are to:
 - a. Ensure fair and equitable treatment of all persons who wish to or do conduct business with UCIP.
 - b. Provide for the greatest possible economy in UCIP's procurement activities.
 - c. Foster effective, broad-based competition within the free enterprise system to ensure that UCIP will receive the best possible services or products at the lowest possible prices.
 - d. Provide for the accountability and ethical disposal of UCIP purchased property and equipment.

SECTION C AUTHORITY

1. The Board has the authority to adopt and amend this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all purchases made using UCIP funds.

2. This policy shall not prevent UCIP from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.
3. When procurement involves the expenditure of federal assistance funds, UCIP shall comply with applicable federal law and regulations.

SECTION E DEFINITIONS

1. Board: the UCIP Board of Directors.
2. Business: any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
3. CEO: the UCIP Chief Executive Officer.
4. Contract: any agreement entered into by UCIP for the procurement or disposal of supplies, services, or construction, but shall not mean any policy of insurance, excess insurance or reinsurance, bond, surety or other risk financing instrument.
5. Evaluation Committee: the President, Vice-President and Secretary/Treasurer of the Board and the Procurement Officer.
6. Invitation to Bid: all documents, whether attached or incorporated by reference, used for soliciting bids.
7. Person: any business, individual, union, committee, club, other organization, or group of individuals.
8. Professional Services: labor, effort or work that requires an elevated degree of specialized knowledge and discretion, including accounting, architecture, construction and design management, engineering, financial services, information technology, insurance brokerage, legal, medical, or underwriting.
9. Procurement: buying, purchasing, renting, leasing, leasing with an option to purchase, or otherwise acquiring any supplies, services, or construction.
10. Procurement Officer: the CEO or other person duly authorized by the Board to enter into and administer contracts and make written determinations with respect thereto.
11. Purchase Description: the words used in a solicitation to describe the supplies, services, or construction to be purchased, and includes specifications attached to or made a part of the solicitation.

12. Request for Proposals or RFP: all documents, whether attached or incorporated by reference, used for soliciting proposals.
13. Request for Qualifications or RFQ: a document used to solicit information about the qualifications of a person interested in providing services including all other documents attached to that document or incorporated in that document by reference.

SECTION F POLICY STATEMENTS

1. All purchases and procurements shall be made in a manner providing UCIP the most advantageous terms, conditions, cost and quality of products or services.
2. Purchases and procurements shall be conducted under the procedures outlined in this policy in a fair and equitable manner.
3. UCIP surplus property, equipment and/or supplies shall be disposed of in an efficient and effective method.
4. Acceptance of bribes, gifts or other favors from a vendor in exchange for favorable treatment on a procurement is prohibited by the Board.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. The CEO shall act in the capacity of Procurement Officer. The Procurement Officer shall be responsible to oversee procurements, solicit bids and proposals, enter into and administer contracts, and make written determinations under this policy. The Procurement Officer may delegate purchasing authority at their discretion.
2. The following purchases shall not require use of a bidding process:
 - a. Purchases costing less than \$10,000 in total shall not require bids of any type;
 - b. Purchases costing more than \$10,000 but less than \$25,000 in total, shall require at least three telephone bids, but shall not require any other type of bid;
 - c. Purchases under paragraphs a. and b. shall not be artificially divided so as to constitute a small purchase. The total value of contract over the entire period determines the procurement threshold under paragraphs a. and b.;
 - d. Purchases made through the cooperative purchasing contracts administered by the State Division of Purchasing or another government approved contract that results from a competitive process;
 - e. Purchases made from a single-source provider as determined by the Procurement Officer;

- f. Purchase of professional services, if the Procurement Officer opines in writing to the Board that the services are of a professional nature;
 - g. Purchase of services if the Procurement Officer opines in writing to the Board that the services are of such a nature, or require being provided in such a nature, as to be best provided by a specific source;
 - h. Purchases required during an emergency, i.e., an eminent threat to the public's health, welfare or safety. However, as much competition as practical should be obtained and such purchases should be limited to amounts necessary to the resolution of the emergency;
 - i. Purchase by direct negotiation if the Procurement Officer determines in writing that the use of competitive bidding is either not practicable or not advantageous to UCIP. The Procurement Officer shall negotiate with the vendor to insure that the terms of the contract, including price and delivery, are in the best interest of UCIP;
 - j. Purchase of goods or services if the Procurement Officer determines in writing that the transitional costs are a significant consideration in selecting a procurement item and the transitional costs are unreasonable or cost prohibitive, and that the award of a contract without engaging in a standard procurement process is in the best interest of UCIP; or
 - k. Purchase of goods or services through membership in a state, regional or national cooperative program, which provides competitively priced goods or services and membership is limited to governmental agency.
3. All purchases not exempted from the bidding process under paragraph 2, which are to be awarded to the lowest responsible bidder, shall be subject to bidding procedures as follows:
- a. The Procurement Officer shall develop an Invitation to Bid identifying objective criteria to be used in evaluating and awarding a contract; and
 - b. An Invitation to Bid shall be issued when a contract is to be awarded using this Invitation to Bid process. The Invitation to Bid shall include a description of the goods or services to be purchased and all contractual terms and conditions applicable to the procurement.

4. All purchases not exempted from the bidding process under paragraph 2, which are to be awarded to the vendor that submits the highest scoring proposal shall be subject to procedures as follows:
 - a. The Procurement Officer shall develop a RFP identifying subjective criteria to be used in evaluating and awarding a contract. Prior to development of a RFP, the Procurement Officer may solicit information on the goods or services to be purchased; and
 - b. Proposals shall be evaluated by the Evaluation Committee based on the subjective criteria set forth in the RFP including documented independent scoring by the Evaluation Committee to determine best value.
5. The Procurement Officer shall provide a list of qualified vendors to be approved by the Board. The Procurement Officer may develop a list of qualified vendors using a RFQ or qualifying vendors through industry or association endorsements.
6. Public notice of the Invitation to Bid or RFP shall be given at least 30 days prior to the date set forth therein for all bids or proposals to be received, unless the Board approves as shorter notice period based on special circumstances. The Invitation to Bid or RFP shall be provided to all vendors on the qualified vendor list. The Invitation to Bid or RFP may also be noticed on the Utah Public Procurement website, industry and association websites, in a newspaper of general circulation, or in any other location advantageous to UCIP.
7. UCIP may cancel an Invitation to Bid or RFP at any time including after bids or proposals are received by way of rejecting all bids or proposals.
8. The amount of each bid or proposal and any other relevant information, together with the name of each bidder, shall be recorded. The record and each bid or proposal shall be open to public inspection.

9. Determination of non-responsiveness of a bidder or offeror shall be made in writing. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsiveness may be grounds for a determination of non-responsiveness with respect to the bidder or offeror.
10. Any type of contract which will promote the best interests of UCIP may be used, provided that the use of a cost-plus-a-percentage-of-cost contract or cost-reimbursement contract is prohibited. A cost-plus-a-percentage-of-cost contract or cost-reimbursement contract may be used only when a determination is made in writing by the Procurement Officer that exceptions exist similar to exceptions under 63G-6a-1205(5) and (6).
11. The following contractual clauses shall be included in all contracts unless an engagement letter is used for professional services, or exception is made by the Board:
 - a. The unilateral right of UCIP to order, in writing, changes in the work within the scope of the contract and changes in the time of performance of the contract that do not alter the scope of the contract work.
 - b. Variations occurring between estimated quantities of work in a contract and actual quantities; and
 - c. Suspension of work ordered by UCIP.
12. All specifications or descriptions of services shall seek to promote overall economy and best use for the purposes intended, and encourage competition in satisfying UCIP's needs, and shall not be unduly restrictive. Where practical and reasonable, and within the scope of Utah law, Utah products shall be given preference.
13. Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may appeal their grievance in the following manner:
 - a. An aggrieved bidder, offeror or contractor shall submit an appeal with the Procurement Officer in writing within five business days after the aggrieved person knows or should have known of the facts;

- b. The Procurement Officer shall promptly issue a written decision regarding any grievance if it is not settled by mutual agreement. The decision shall state that reasons for the action taken and inform the appellant of the right to appeal to the Board;
 - c. The appellant shall submit a request for appeal of the Procurement Officer's decision in writing to the Procurement Officer within five working days of the date of the Procurement Officer's decision;
 - d. The Procurement Officer shall promptly provide the Board with the request for appeal, along with all relevant information, including the Procurement Officer's written decision;
 - e. The Board shall consider the appeal and shall provide the appellant with a written decision; and
 - f. The Board shall be the final appeal.
- 14. No person involved in making a procurement decision on behalf of UCIP may have personal investments in any business entity which will create a substantial conflict between their private interests and their public duties.
 - 15. Any person involved in making procurement decisions on behalf of UCIP is subject to discipline up to and including termination if the person asks, receives, or offers to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization from any person or organization interested in selling to UCIP.
 - 16. Any RFP or RFQ and all bids or proposals will be retained in accordance with the UCIP Records Retention Schedule.
 - 17. All construction contracts shall include a requirement for a performance bond and a lienholders bond in an amount determined by the Procurement Officer unless bond requirements are waived by the Board.
 - 18. A contract for goods or services may not exceed a term of five years unless the Procurement Officer opines in writing that is in the best interest of UCIP and the Board approves the extended contract term.
 - 19. The Procurement Officer shall develop and maintain standard contractual terms and conditions.
 - 20. At the time property, equipment and/or supplies are ready for sale or disposal, first the property, equipment and/or supplies will be offered for reutilization to UCIP Members, second to other governmental agencies, and third to the public using the Public Surplus online portal. UCIP will charge required sales tax to buyers and report sales tax to the State Tax Commission. If the property, equipment and/or supplies have little or no value, UCIP will use the most cost effective and efficient means of disposal.

SECTION G Revision History.

1. Original Policy Adoption: August 18, 2016
2. Revised: April 19, 2018
3. Revised: June 21, 2019
4. Revised: December 17, 2020
5. Revised: June 9, 2023
6. Revised: April 18, 2024

SECTION I Appendices.

1. Standard contract terms and conditions.