

ORDINANCE NO. 2025-05

**AN ORDINANCE AMENDING TITLE 1, CHAPTER 11,
SECTIONS 2, 4, 5, AND 6 RELATED TO PROCUREMENT AND
COMPETITIVE SOLICITATION**

WHEREAS, the City of North Salt Lake is an incorporated city in Davis County, Utah;
and

WHEREAS, the City Council encourages the utilization of competitive solicitation in the acquisition of supplies, equipment, or contractual services of an estimated value of fifty thousand dollars (\$50,000) or more; and

WHEREAS, the City Council of North Salt Lake finds it necessary to update its adopted City Code relating to the award of competitive contracts; and

WHEREAS, the City Council of North Salt Lake finds that expanding contract award procedures to include evaluations of lowest responsive and responsible proposal, best value proposal, or most highly qualified proposal is in the best interest of the City; and

WHEREAS, the City Council of North Salt Lake agrees that the proposed amendments comply with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB); and

WHEREAS, the City Council has determined that the proposed amendments comply with the City Code, as amended herein.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of North Salt Lake, Utah, as follows:

SECTION 1. Code Amendment

Title 1, Chapter 11, Sections 2, 4, 5 and 6 are hereby amended as attached in Exhibit A.

SECTION 2. Severability.

If any provision of this ordinance is declared invalid by a court of competent jurisdiction, the remainder shall not be affected thereby.

SECTION 3. Effective Date.

This ordinance is hereby adopted and shall take effect immediately upon posting as required in Utah Code 10-3-713.

APPROVED AND ADOPTED by the City Council of the City of North Salt Lake, Utah, this 18th day of February, 2025.



CITY OF NORTH SALT LAKE



BRIAN J. HORROCKS
Mayor

ATTEST:



WENDY PAGE
City Recorder

City Council Vote as Recorded:

Council Member Watts Baskin	<u>aye</u>
Council Member Clayton	<u>aye</u>
Council Member Jackson	<u>aye</u>
Council Member Knowlton	<u>aye</u>
Council Member Van Langeveld	<u>aye</u>

Exhibit A

TITLE 1, ADMINISTRATION

CHAPTER 11

PROCUREMENT OF SUPPLIES, MATERIALS, EQUIPMENT AND CONTRACTUAL SERVICES; DISPOSAL OF PUBLIC PROPERTY

SECTION:

1-11-1: Statutory Authority

1-11-2: Definitions

1-11-3: Administration

1-11-4: Acquisition Of Supplies, Materials And Equipment

1-11-5: Competitive ~~Bidding~~ Solicitation Requirements

1-11-6: Exemptions To Competitive ~~Bidding~~ Solicitation Requirements

1-11-7: Use Of Purchase Requisitions

1-11-8: Interlocal Agreements Authorizing Contracts For Commodities Or Services

1-11-9: Disposal Of Surplus Property Or Lease Of Public Property

1-11-10: Prohibitions

1-11-2: DEFINITIONS:

Unless the context requires otherwise, the terms used in this chapter, or the rules and regulations adopted pursuant to this chapter, shall have the following meanings:

ADEQUATE APPROPRIATION BALANCE: Sufficient fund balance which must exist in the line item appropriation of the account against which the purchase is to be charged.

DEPARTMENT HEAD: The ~~person~~ **individual** who administers a **city** department ~~of the city or his or their~~ designee, **as** specified in writing. This also includes the city manager.

~~**ESTIMATES OF REQUIREMENTS:** Forecasts of future requirements of supplies, equipment or contractual services submitted by city departments upon request of the city manager or his designee.~~

LOCAL BIDDER: A firm or individual who regularly maintains a place of business and transacts business in, or maintains an inventory of merchandise for sale in, or is licensed by, or pays business taxes to, **the City of North Salt Lake City**.

PROFESSIONAL SERVICES: Includes, but is not limited to, professional services for auditing, banking, insurance, engineering, architectural services and other forms of consulting.

PUBLIC PROPERTY: Any item of real or personal property owned by the city.

PURCHASE REQUISITIONS: Standard forms used by departments providing detailed information as to quantity, description, price, supplier and signature authorization for purchases. These are also known as "purchase orders".

REQUEST FOR PROPOSAL: Shall mean the same as "Invitation to Bid" as used in this chapter.

RESPONSIBLE BIDDER: A bidder who submits a responsive bid; who has furnished, ~~when requested,~~ information and data to ~~provide~~ **demonstrate** that ~~his~~ **the** financial resources, production or service facilities, service reputation and experience are adequate, for the contractual services or work on which **is being bid** ~~he bids~~; and who has not violated or attempted to violate any provisions of this chapter.

RESPONSIVE BID: An offer, submitted by a responsible bidder to furnish supplies, material, equipment or services in conformity with the specifications, delivery terms and conditions, and other requirements included in the invitation for bids.

SERVICES: The furnishing of labor, time or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term does not include employment agreements or professional services.

SUPPLIES, MATERIALS AND EQUIPMENT: The specific end product identified in a purchase requisition, purchase order, plan or specification prepared by the city, or in the case of acquisition value at less than one thousand dollars (\$1,000.00).

SURPLUS PROPERTY: Any item of personal property or parcel of real property owned by the city that has been declared surplus by the city council. (Ord. 2010-02, 3-16-2010)

1-11-4: ACQUISITION OF SUPPLIES, MATERIALS AND EQUIPMENT:

A. Purchases or contracts for ~~purchase~~ **the acquisition** of supplies, materials or equipment where the amount to be paid by the city is less than twenty five thousand dollars (\$25,000.00) must be approved by the city manager or his designee.

B. Purchases or contracts for ~~purchase~~ **the acquisition** of supplies, materials or equipment costing the city twenty five thousand dollars (\$25,000.00) or more must be approved by the city council.

C. Open market procedures as set forth in subsections 1-11-5A and B of this chapter may be used for purchases or contracts for purchase of supplies, materials or equipment costing the city less than fifty thousand dollars (\$50,000.00). Notwithstanding the foregoing, the city manager may require any purchase for supplies, materials or equipment to be bid formally if, in his determination, such actions would be in the best interest of the city.

D. Formal bidding, as set forth in subsection 1-11-5A of this chapter, will be used for purchases or contracts for the purchase of supplies, materials or equipment where the cost to the city is fifty thousand dollars (\$50,000.00) or more, except as identified in subsection E of this section.

E. For class C roadway "construction" and "maintenance", as defined in Utah Code Annotated section 72-6-109, formal bids are required for construction projects over ~~one hundred thousand dollars (\$100,000.00)~~ **three hundred fifty thousand dollars (\$350,000.00)**, and for maintenance projects over ~~one hundred thousand dollars (\$100,000.00)~~ **three hundred fifty thousand dollars (\$350,000.00)**. (Ord. 2010-02, 3-16-2010)

1-11-5: COMPETITIVE ~~BIDDING~~ **SOLICITATION** REQUIREMENTS:

Except as hereinafter provided, purchases of supplies, equipment **or contractual services of an estimated value of fifty thousand dollars (\$50,000.00) or more** shall follow one of the following procedures:

A. Invitation to Bid or Request for Proposal.

~~Formal Contract Procedure: Except as otherwise provided herein, purchases of supplies, equipment or contractual services of an estimated value of fifty thousand dollars (\$50,000.00) or more shall be by written contract with the lowest responsible bidder pursuant to the procedure hereinafter prescribed:~~

1. ~~Notice of inviting bids~~ **Public notice of competitive solicitation shall:**
 - a. include a general description of the improvements, supplies, materials and equipment or services to be acquired,
 - b. ~~shall~~ state where plans and specifications and other information may be secured, **and**
 - c. ~~shall~~ state the time and place for opening bids, **and**
 - d. ~~Public notices shall~~ be posted in accordance with Utah Code Annotated section 63G-6a-112, as amended, at least seven (7) days before the day of the deadline for submission of a solicitation response.
2. **The invitation to bid or request for proposal shall include all submission requirements and deadlines which a supplier must be able to produce or deliver to be considered responsive and responsible for award of a contract, including:**
 - a. **Product specifications or scope of work,**
 - b. **Minimum qualifications and performance requirements,**
 - c. **Method of award and evaluation criteria, and**
 - d. **Submission deadline.**
3. **Bid Opening Procedure:** Sealed bids shall be submitted as designated in the notice with the statement "bid for (item)" on the envelope. Bids shall be opened in public at the time and place stated in the notice inviting bids. A written description of all bids received shall be available for public inspection during regular business hours for a period of not less than thirty (30) days after the bid opening.

4. Rejection Of Bids: The city council reserves the right to reject any and all bids for any reason. All notices calling for bids should so state. If all bids are rejected and the city council decides to make the improvement or acquire the supplies, materials, equipment or services, it shall advertise anew in the same manner provided herein. If, after the advertising as herein provided, no bid shall be received that is satisfactory, the city council may proceed to negotiate or make the improvement or acquisition, or enter such other agreements as it deems necessary or desirable.

~~4. Award Of Contracts: Except as otherwise provided herein, it is the intention of the city council to award the contract to the lowest responsible bidder.~~

5. Method of Award: Competitive solicitations shall be awarded by the city council based on one of the following methods:

- a. Lowest Responsible and Responsive Bid. The lowest responsible and responsive bid shall be selected based on the lowest cost proposal that satisfactorily meets the minimum requirements identified in the invitation to bid. Minimum requirements include:
 - i. The ability, capacity, and skill of the bidder to perform the contract within the specified time requirements,
 - ii. The bidder's record of performance on previous contracts,
 - iii. The character, integrity, experience, and reputation of the bidder, including compliance with laws and ordinances related to the contract,
 - iv. The bidder's ability to provide future maintenance and service in relation to the contract, and
 - v. The city's agreement with any conditions attached to the bid or proposal.
- b. Best Value. An evaluation committee shall determine the proposal or response that demonstrates the best value for the city. Best value shall be measured using ranked evaluation criteria such as vendor qualifications, experience, performance data, and cost. Evaluation criteria shall be:
 - i. identified and appropriately ranked, prioritized, and weighted by the department head with respect to the timely and successful completion of the purchase or project, and
 - ii. clearly defined and published with the invitation to bid.
- c. Most Highly Qualified. An evaluation committee shall determine one firm as the most highly qualified. A bid or proposal deemed most highly qualified shall be:
 - i. evaluated based primarily on qualitative factors, such as technical expertise, that are clearly defined in the invitation to bid, and
 - ii. representative of specific success factors related to the purchase or project.

6. Tie Bids: If two (2) or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay or readvertising for bids, the city council shall accept the lowest bid made by and after negotiation with the tie bidders after the time of the bid opening.
7. Performance Bonds: Before entering a contract, the city council shall have authority to require performance and payment bonds to be provided in such amounts as it shall find reasonably necessary to protect the best interests of the city and as required by law. The form and amount of said bonds shall be described in the notice inviting bids.

B. Open Market Procedure.

Any purchase or acquisition of supplies, material, equipment, improvements or services of an estimated value of less than fifty thousand dollars (\$50,000.00) may be made without calling for bids. These purchases or acquisitions shall be made pursuant to the procedure hereinafter prescribed and without observing the procedure prescribed in subsection A of this section; provided, however, all bidding may be dispensed with for purchases of supplies, equipment or contractual services having a total estimated value of less than seven thousand five hundred dollars (\$7,500.00).

1. Minimum Number Of Bids: Wherever possible, open market purchases shall be based on at least three (3) price quotations and shall be awarded to the lowest responsible bidder. (Ord. 2010-02, 3-16-2010)
2. Solicitation Of Bids: Price quotations shall be from prospective vendors by written or telephone requests. (Ord. 2010-02, 3-16-2010; amd. 2012 Code)
3. Budgetary Considerations: All purchases must conform to the annual budget and there must be an adequate balance in the appropriation for the item or service to be procured. Any substantial deviation from the annual budget or any appropriation thereunder shall be approved by the city council.

C. Acquisition Of Services.

1. Contracts for services costing the city less than fifteen thousand dollars (\$15,000.00) annually must be approved and authorized by the city manager or his designee.
2. Contracts for services costing the city fifteen thousand dollars (\$15,000.00) or more annually must be approved by the city council.
- ~~3. Acquisition procedures, as set forth in subsections A and B of this section will be used for all contracts for services, with the exception of contracts for architectural, engineering, legal, computer programming or other professional or technical services. These types of service contracts shall be negotiated for on the basis of demonstrated competence and qualification and at fair and reasonable prices.~~
3. The city manager may require any acquisitions of services to be bid formally if, in his determination, such actions would be in the best interest of the city. (Ord. 2010-02, 3-16-2010; amd. Ord. 2023-09, 8-1-2023)

1-11-6: EXEMPTIONS TO COMPETITIVE BIDDING SOLICITATION REQUIREMENTS:

A. Contracts: Contracts, which by their nature are not well suited to award by competitive bidding solicitation, shall not be subject to the competitive bidding solicitation requirements of this chapter. These contracts include, but are not limited to, the following: contracts for items or services which may be purchased only from a single source; contracts for additions to and repair and maintenance of equipment already owned by the city which may be more efficiently added to, repaired or maintained by a certain person or firm; or contracts for equipment which, by reason of the training of the personnel or an inventory of replacement parts, is compatible with the existing equipment owned by the city.

B. Auction, Closeout, Bankruptcy Sales: If the city manager determines that budgeted supplies, materials or equipment can be purchased at any public auction, closeout sale, bankruptcy sale or other similar sale, and if a majority of the city council at a regular or special meeting concurs in such determination and makes a finding that a purchase at any such auction or sale will be made at a cost below the market cost in the community, a contract may be let, or the purchase made, without complying with the competitive bidding solicitation requirements of this chapter.

C. Exchanges: Exchanges of supplies materials or equipment between the city and any other public agency or private party which are not by sale or auction shall be by mutual agreement of the respective public agencies or private parties. Exchanges involving private parties require contractual approval of the city council.

D. Certain Construction Contracts: With the city council's authorization at a regular or special meeting, construction projects up to \$250,000 may be authorized, at the council's sole discretion without competitive bidding solicitation. These include projects where, due to the small cost of the project or the specific nature and characteristics of the project, significant cost savings may be realized by not preparing formal plan and bidding specification documents or by not having to advertise for bid and go through a formal selection process. (Ord. 2010-02, 3-16-2010; amd. Ord. 2023-13, 10-3-2023)