CITY OF LOGAN, UTAH

ORDINANCE NO. 11-55


WHEREAS, the state legislature has granted power to the City Council, independent, apart from, and in addition to, its specific grants of legislative authority, which enables the City of Logan to pass ordinances which are necessary and proper to provide for the safety and preserve the health, and promote the prosperity, improve the morals, peace and good order, comfort, and convenience of the city and its inhabitants; and,

WHEREAS, the City Council has determined that the following ordinance is in the City’s best interest,

NOW THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF LOGAN, UTAH, AS FOLLOWS:

SECTION 1:

3.04.020: 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 existing in the appropriation item against which the purchase order is to be charged.

BID: An offer, submitted by a bidder, to furnish supplies, materials, equipment, and other personal property, or contractual services in conformity with the specifications, delivery terms and conditions, and other requirements included in the invitation for bids or otherwise required by the city.

BIDDING: The procedure used to solicit quotations on price and delivery from various prospective suppliers of supplies, materials, equipment, and other personal property, or contractual services.

CONTRACTUAL SERVICES: Professional and nonprofessional service contracts entered into for the accomplishment of a particular project or a limited period of time.

EMERGENCY PURCHASE: A purchase for a significant event involving the risk of life, property or essential government service where the failure to act immediately could exacerbate the emergency situation.

ESTIMATES OF REQUIREMENTS: Forecasts of future requirements of supplies,
equipment, materials, and other personal property, or and contractual services submitted by city departments or representatives upon request of the mayor or the mayor's designee.

FORMAL COMPETITIVE BIDDING: The process by which written and sealed bids are solicited by publication of notice and are read at a designated bid opening with a specific date and time. Requires an established bid opening date and time. Only written, sealed bids are accepted. No facsimile or telephone bids are allowed. There are two (2) methods in which a vendor is invited to bid; either one of the following methods may be utilized: a) through a newspaper ad, with a first publication date that is a minimum of ten (10) days before the opening date, b) by mailing each interested vendor a bid or proposal package. A minimum of three (3) bidders, where applicable, will be solicited.

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 at the time the bid or offer is submitted.

OPEN MARKET PROCEDURES: Purchasing goods or services from the open market by, whenever possible, obtaining at least three (3) bids. This bid solicitation can be done by department heads, division managers, or their designees. The goal of open market procedures is to obtain substantially equal goods and services at the lowest possible price.

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

PURCHASE ORDERS: Official documents used in authorizing the commitment of city funds toward the purchase of supplies, materials, equipment, other personal property, or and contractual services.

REQUISITIONS: Electronic Standard forms used by departments or other authorized city representatives to request a purchase order by providing detailed information as to quantity, description, estimated price, possible supplier and authorization for requested purchases.

RESPONSIBLE BIDDER: A bidder who has proven by experience or information furnished to the satisfaction of the purchasing manager agent that his or her current financial resources, production or service facilities, service or reputation, and experience are adequate to make satisfactory delivery of supplies of acceptable quality, equipment or contractual services on which she or he bids; and who has not violated or attempted to violate any provisions of this chapter.

3.04.030: ADMINISTRATION:

The purchasing manager agent shall administer the purchasing system provided by this chapter. By virtue of the statutes provided in this chapter and by other applicable laws, the purchasing manager agent shall perform the duties and have powers concerning purchasing matters as follows:
A. Administer and maintain the purchasing system according to the rules and regulations established or authorized by this chapter and other ordinances;

B. Recommend to the mayor and council additional rules and regulations or changes from time to time that the purchasing manager agent considers desirable, and to interpret, with legal advice, the provisions of this chapter and applicable statutes;

C. Negotiate and recommend execution of contracts for the purchase of supplies, materials, equipment, or contractual services after consultation with department directors, division managers and other responsible city agents;

D. Seek to obtain as full and open competition as possible either by bidding or negotiation on all city purchases;

E. Keep informed of current developments in the field of purchasing, i.e., prices, market conditions, new products, etc.;

F. Prescribe and maintain such forms as are reasonably necessary to the operation of this chapter and other rules and regulations;

G. Supervise the inspection of all city purchased equipment to assure conformance with specifications;

H. Maintain a bidders' list, vendors' catalog file and other records needed for the efficient operation of the purchasing system;

I. Maintain the maintenance of the inventory system.

3.04.040: PROCEDURE:

A. Open Market Procedures: All purchases, regardless of price, shall be made in compliance with open market procedures.

B. Purchase Orders: All services, contracts, supplies, materials, and equipment of a value of more than three thousand dollars ($3,000.00) shall be purchased with the authority of a written purchase order. Written documentation of compliance with open market procedures must accompany all purchase orders. Purchases that by their nature are made without a purchase order include travel reimbursements, training, airline reservations, hotel reservations, and membership fees. Other contracts or similar purchases may be exempted from the purchase order requirement with the authorization of the mayor and purchasing manager agent.

C. Annual Purchase Orders: Annual purchase orders may be established for standard goods and services ordered periodically by one or more departments throughout a fiscal year. Annual purchase orders are established by the purchasing manager agent at the beginning of a fiscal year and are valid for all purchases made during that fiscal year. Such items as pipe, fencing
material, gravel, concrete, etc., are applicable. An annual purchase order may be established for a specific vendor and is only good for those specific items listed on the purchase order.

D. Formal Competitive Bidding: If the purchase price exceeds fifteen thousand dollars ($15,000.00), formal competitive bidding procedures shall be used unless such purchases are made for an inventory warehouse. Inventory warehouse purchases can be made using Open Market Procedures. 1. Competitive Bidding: The purchasing manager agent shall call for competitive bids by giving reasonable notice of the city's intent to receive sealed bids, describing therein the requested property or services needed, and the place where bid blanks and specifications may be obtained as well as the place, date and time when bids will be received and/or opened.

12. Publication Of Notice:

a. Unless otherwise required by state law, bids Sealed bids may be invited by one or more of the following: a single publication in a local newspaper, at least ten (10) days prior to bid opening and/or by mailing invitations to interested qualified bidders, electronic notification (facsimile or e-mail) to interested vendors, posting of the bid or proposal package on the city website, or posting of the bid or proposal package on an on-line procurement notification system selected by the purchasing agent, who have requested their names to be included on a bidders' list for the type of property or services to be purchased. A minimum of three (3) bidders, where applicable, will be solicited. Bids are accepted in a manner determined by the purchasing agent

b. Notice of the invitation to submit bids need not be published in a local newspaper if there are two (2) or less potential bona fide bidders in the Cache Valley area. As a substitute to publication, the purchasing manager shall mail a notice of invitation to submit bids to all known local, potential bidders and any nonlocal, potential bidder listed on the bidders' list.

23. Firm Bids: All bids submitted to the city shall be open for acceptance for a period of ten (10) days following bid openings.

34. Rejection Of Bids: The city may reject without cause any or all bids and may re-advertise for bids pursuant to the procedure described in this chapter.

45. Payment and Performance Bonds: Before entering into a contract the purchasing manager agent may require a one hundred percent (100%) payment and performance bond from the successful bidder when the accepted bid amount is in excess of fifteen thousand dollars ($15,000.00). The bond must be furnished to the city purchasing division upon awarding of a contract. A payment and performance bond shall be required on public works construction projects.

56. Bid Bonds: The purchasing manager agent may require as a condition of bidding a bid bond or a cashier's check in lieu thereof in the amount of five percent (5%) of the amount bid. A bid bond shall be required on public works construction projects. Note: The security mentioned above may be submitted in the form of a bond, certified bond, certified or cashier's check or other security satisfactory to the city.
E. Award Of Bids: Except as otherwise provided in this chapter the city shall accept the bid of the lowest responsible bidder.

F. Award To Other Than Low Bidder: When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the order elsewhere shall be prepared by the purchasing manager and filed with the other papers relating to the transaction.

G. Local Bidder Preference: If a formal competitive the bid of a nonlocal bidder is lowest and there was a local bidder who also submitted a bid which was within five percent (5%) of the low bid, then the goods shall may be purchased from the local bidder if the bidder agrees in writing within twenty four (24) hours after being notified of the low bid, that the bidder will meet the bid price providing the goods are at least equal to the quality of those offered by the nonlocal bidder.

H. Noncompliant Purchases: Purchases that are not in compliance with the purchasing system must be documented in writing. The documentation must include the reason for the noncompliance and must be signed by the department head, and the mayor. Failure to follow the purchasing system may result in disciplinary action.

I. Bidder Eligibility: Bidders who are involved in a pending claim or litigation or have threatened same against the City may be disqualified from doing business with the City when determined to be in the best interest of the City. This disqualification may apply to a bidder or a subcontractor or supplier of the bidder.

3.04.050: CONTRACTS:

A. Contractual Service Contracts; Procedure: Contracts for contractual services may be awarded by use of open market procedures or competitive bidding.

B. Award Of Contracts: Contracts shall be awarded at the discretion of the mayor based on the evaluation of professional qualifications, service ability, cost of service and other criteria deemed applicable by the mayor and concerned department heads.

3.04.060: EXEMPTIONS TO COMPETITIVE BIDDING REQUIREMENTS:

A. Contracts Not Adaptive To Competitive Bidding: Contracts which by their nature are not adaptive to competitive bidding, such as contracts for repairs and contracts for items which may, as a practical matter, only be purchased from a single source, and contracts for repairs or additions to equipment owned by the city, which may be more efficiently added to by a certain person or firm, and contracts for additional engineering or professional services specifically related to current or previous contracts shall not be subject to the competitive bidding requirements of this chapter. When the foregoing conditions exist, a written justification for the exemption to competitive bidding shall be approved by the mayor and filed with the purchasing documents.
B. Library Purchases: The purchase of library books, records, tapes, films, publications, periodicals and subscriptions are specifically exempted from the requirements of competitive bidding.

C. Auction, Closeout, Bankruptcy Sales: If the mayor determines that supplies, materials or equipment can be purchased by any public auction, closeout sale, bankruptcy sale or other similar sale, 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, the mayor may authorize the purchases.

D. Exchanges: The purchasing manager agent may by agreement exchange supplies, materials, equipment or services with other public agencies, or the purchasing manager agent may exchange the property or services with private persons or entities when special circumstances exist which indicate that such an exchange would prove more advantageous to the city than a simple purchase for cash.

E. Interlocal Agreements In Letting Of Contracts For Commodities Or Services: The city shall have the power to enter into joint purchase agreements with any or all other public agencies within the state for the purchase of any commodity or service, where it is determined by the mayor to be in the best interest of the city.

F. Emergency Purchases: To qualify as an emergency purchase, the purchase must be ratified, after the emergency, by the department head, the mayor, and the purchasing manager agent as a qualifying emergency. The department must notify the purchasing manager agent of the emergency purchase by the end of the first business day following the event.

G. Open Market Procedure: If upon inviting or receiving bids under the formal bidding process, the purchasing manager agent determines that none of the bidders can give a competitive bid because of the delay between the date of the bid and the date required for delivery of the goods or services, then the purchasing manager agent may utilize the open market procedure to obtain the lowest price for those particular goods or services.

H. State Contract: Goods and services purchased from the Utah state contract are exempt from the competitive bidding requirements. Goods and services that have been competitively bid by another political subdivision of the state of Utah within twelve (12) six (6) months may also be exempt from the competitive bidding requirements at the discretion of the purchasing manager agent, provided the bidding requirements followed by the political subdivision are substantially in compliance with the requirements described in this chapter, and local bidders were invited to participate.

SECTION 2: Effective Date. This ordinance shall become effective upon publication.
ADOPTED BY THE LOGAN MUNICIPAL COUNCIL THIS 19 DAY OF JULY 2011, BY THE FOLLOWING VOTE:

AYES: Swenson, Quayle, Daires, Masson, Olsen

NAYS: None

ABSENT: None

Herm Olsen, Chair

ATTEST:
Teresa Harris, City Recorder

PRESENTATION TO MAYOR

The foregoing ordinance was presented by the Logan Municipal Council to the Mayor for approval or disapproval this 19 day of July, 2011.

Herm Olsen, Chair

MAYOR’S APPROVAL OR DISAPPROVAL

The foregoing ordinance is hereby approved this 19 day of July, 2011.

Randy Watts, Mayor
STATE OF UTAH
COUNTY OF CACHE, ss

Civil
PROOF OF PUBLICATION

On this 8th day of July, A.D. 2011 personally appeared
before me Vicki C. Johnson who being first being duly sworn, deposes and says that
she is the Classified Advertising Manager of the Cache Valley Publishing Co., publishers of The Herald Journal
a daily newspaper published in Logan City, Cache County Utah, and that the
Legal Notice, a copy of which is hereto attached was published in said
newspaper for 1 issue(s) and that said notice also published on utahlegals.com
on the same days(s) as publication in said newspaper

Commencing on the following days:
07/05/2011

Vicki C. Johnson, Classified Advertising Manager

Subscribed and sworn to before me on this 8th day of July, A.D. 2011

Cynthia K. Fulton, Notary Public

My Residence is Logan, Cache County, Utah
My Commission expires September 7, 2011
Legal Notice

LEGAL NOTICE
LOGAN MUNICIPAL COUNCIL

SUMMARY OF AN ORDINANCE passed by the Logan Municipal Council, City of Logan, Utah, is as follows:


Section 15.020.010 (Property Maintenance) of the Logan Municipal Code.


These ordinances shall become effective upon publication. Full text may be reviewed at the Office of the Logan City Recorder, City Hall, 290 North 100 West, during regular business hours.

Teresa Harris, City Recorder

Publication date: July 20, 2011