



POLICIES AND PROCEDURES

Policy # 014

Subject: Solicitations for State Cooperative Contracts
Effective: July 1, 2014
Revised: April 12, 2017
Reference: UCA 63G-6a-2105(7)

Purpose:

The purpose of this policy is to establish guidelines for issuing statewide, regional, and combination statewide and regional solicitations for state cooperative contracts, such that:

- A. All prospective vendors have a fair and equal opportunity to compete for state contracts within a given region, multiple regions, or the entire state; and
- B. The State receives the best possible pricing in each region of the state by giving vendors an opportunity to take advantage of geographical location, volume purchase discounts, distribution networks, reduced freight and shipping costs, and other business-related factors.

Definitions:

"Statewide State Cooperative Contract" means a contract awarded by the Division of Purchasing for and in behalf of all public entities and nonprofit organization. A statewide contract may be awarded from a statewide solicitation. Vendors awarded a statewide contract must agree to supply the procurement item(s) being solicited to all public entities and nonprofit organizations in the entire state for a single price.

"Regional State Cooperative Contract" means a contract awarded by the Division of Purchasing for and in behalf of all public entities and nonprofit organizations within a specific region of the State of Utah. A regional contract may be awarded from a regional solicitation. Vendors awarded a regional contract must agree to supply the procurement item(s) being solicited to all public entities and nonprofit organizations within the region they are awarded.

The Division's standard regional solicitation map can be found at: purchasing.utah.gov/policies/documents/regionalmap.pdf. However, the Chief Procurement Officer may approve an alternative regional map for a specific solicitation if it is determined to be in the best interest of the State.

“Combination Statewide and Regional Solicitation for a State Cooperative Contract” means a solicitation, issued by the Division of Purchasing for and in behalf of all public entities and nonprofit organizations that, at a minimum, must cover all regions within the State of Utah. Contracts awarded under the solicitation may include the award of statewide state cooperative contract(s), regional state cooperative contract(s), or both. Vendors awarded a contract resulting from a combination statewide and regional solicitation must agree to supply the procurement items being solicited to all public entities and nonprofit organizations in the areas identified in the contract awarded.

Policy:

- A. The Chief Procurement Officer shall make a determination as to whether each state cooperative contract will be awarded using a:
 - 1. Statewide solicitation;
 - 2. Regional solicitation; or
 - 3. Combination statewide and regional solicitation.
- B. **Statewide State Cooperative Contract Solicitations:** If a determination is made that a state cooperative contract will be awarded using a statewide solicitation, the solicitation for the procurement item shall contain the following provisions:
 - 1. A statement indicating that vendors must bid a single, statewide price covering the entire state;
 - 2. A statement indicating that statewide coverage must be achieved through the award of at least one statewide contract; and
 - 3. A statement indicating that the State reserves the right to award multiple statewide contracts.
- C. **Regional State Cooperative Contract Solicitations:** If a determination is made that a state cooperative contract will be awarded using a regional solicitation, the solicitation for the procurement item shall contain the following provisions:
 - 1. A “Region Map” identifying the region(s) of the state intended to be covered by the solicitation;
 - 2. A statement indicating that vendors may:
 - (i) Bid a single price covering any number of regions, up to and including all regions identified in the solicitation; or
 - (ii) Bid differing prices for each of any number of regions, up to and including all regions identified in the solicitation;

3. A statement indicating that the State reserves the right to award multiple regional contracts, including regional contracts awarded to multiple vendors within any given region; and
4. A statement indicating that, if a solicitation results in multiple awards within a region, a vendor may not be awarded a regional contract if that vendor's price is more than 5% above another vendor's price for that region, unless the Chief Procurement Officer determines that awarding a contract to a vendor bidding a price more than 5% above another vendor's price for that region is in the best interest of the State.

D. **Combination Statewide and Regional for State Cooperative Contract Solicitations:** If a determination is made that a state cooperative contract will be awarded using a combination statewide and regional solicitation, the solicitation for the procurement item shall contain the following provisions:

1. A "Region Map" identifying the region(s) of the state intended to be covered by the solicitation;
2. A statement indicating that vendors may:
 - (i) Bid a single, statewide price covering the entire state
 - (ii) Bid a single price covering any number of regions, up to and including all regions identified in the solicitation; or
 - (iii) Bid differing prices for each of any number of regions, up to and including all regions identified in the solicitation;
3. A statement indicating that statewide coverage must be achieved through the award of at least one statewide contract or through the award of a contract to at least one vendor in every region of the state;
4. A statement indicating that if statewide coverage is not obtained, the solicitation will be amended or canceled and reissued as a solicitation requiring vendors to bid a single price for the entire state or various prices covering every region of the state, unless the Chief Procurement Officer determines that statewide coverage is unnecessary or cannot be achieved for a specific procurement item;
5. A statement indicating that the State reserves the right to award multiple statewide contracts, regional contracts, or any combination of both, including statewide and regional contracts awarded to multiple vendors within any given region; and
6. A statement indicating that, if a solicitation results in multiple awards within a region, a vendor may not be awarded a regional contract if that vendor's price is more than 5% above another vendor's price for that region or more than 5% above another vendor's statewide price, unless the Chief Procurement Officer determines that awarding a contract to a vendor bidding a price more than 5% above another vendor's statewide price or price for that region is in the best interest of the State.

- E. If a statewide, regional, or combination statewide and regional solicitation is issued as an invitation for bids, the procedures set forth in Utah Code 63G-6a, Part 6 and Administrative Rule R33-6, and Administrative Rule R33-12-301 shall be followed.
- F. If a statewide, regional, or combination statewide and regional solicitation is issued as a Request for Proposals (RFP), the procedures set forth in Utah Code 63G-6a, Part 7 and Administrative Rule R33-7, and Administrative Rule R33-12-301 shall be followed.
- G. Statewide, regional, or combination statewide and regional solicitations for a specific procurement item must contain substantially similar provisions and requirements, including but not limited to, as applicable: warranties, service agreements, and terms and conditions.
- H. If an existing state cooperative contract is in place, the Chief Procurement Officer may issue a regional solicitation and award a regional contract for a procurement item at any time, provided a determination is made that it is in the best interest of the State. Otherwise, a regional solicitation for a procurement item that is available on an existing state cooperative contract may not be awarded until after the expiration or cancellation of the existing statewide cooperative contract.
- I. Considerations that may lead the Chief Procurement Officer to determine that an action is in the best interest of the State include but are not limited to:
 - 1. Attaining additional competition for a procurement item;
 - 2. Improving service or delivery of a procurement item;
 - 3. Increasing availability of a procurement item; and
 - 4. Obtaining better pricing for a procurement item or verifying that existing contract pricing is competitive.

STANDARD REGIONAL SOLICITATION MAP

Region 1: Box Elder, Cache, Davis, Morgan, Rich, Salt Lake, Summit, Tooele, Wasatch, Utah, Weber

Region 2: Juab, Millard, Piute, Sanpete, Sevier, Wayne

Region 3: Beaver, Garfield, Iron, Kane, Washington

Region 4: Daggett, Duchesne, Uintah

Region 5: Carbon, Emery, Grand, San Juan

