



PURCHASING UPDATE

Inside this issue

State Cooperative—Vehicle contracts.....	2-3
Farewell & Welcome	4
Cooperative Contracts New, Extended, & Canceled ...	5 –7

Chief Procurement Officer

With the retirement of Kent Beers (page 6), a new Chief Procurement Officer (CPO) for the State of Utah was required. The CPO, who also serves as the director of the Division of Purchasing, is appointed by the executive director of the Department of Administrative Services based on the requirements of the Code.

On January 25, Christopher Hughes was sworn in as the new Chief Procurement Officer. Chris has served as the Assistant Director of the Division of Purchasing since August 2015 and worked as a respected contract analyst in the Division prior to that time. Chris has shown himself to be have a deep understanding of the Procurement Code and Administrative Rule R33 and has assisted in the writing amendments to those documents. He has portrayed strong leadership to his peers and those who have had the opportunity to be supervised or mentored by him are stronger employees because of his guidance.

We look forward to many years of working with Chris and growing under his leadership.

Save the Dates PEP Seminars

The Procurement Education Partnership Seminars are held from 9 AM—4 PM on the Capitol Hill Complex.

March 22, 2018

June 21, 2018

Registration for March will begin in early February.



Procurement Guidance

STATEWIDE VEHICLE CONTRACTS: A NEW AND IMPROVED PROCESS TO SAVE YOU TIME AND MONEY

By Nick Hughes

If during the course of the last year, your entity decided it needed to purchase a vehicle, chances are you were confused by the new process. Don't worry, you are not alone. The State of Utah departed from the previous contracts of having only one dealership on contract per manufacturing category with a set list of their costs to having several dealerships on contract with a base percentage discount. Although we had some great benefits with the new program, there was also confusion as to how it works and problems when it came to budgeting for a purchase. The Division of Purchasing has taken your concerns into account.

Dealers must now submit one (1) flat rate percentage to be applied across the board for all models offered by dealer in addition to supplying a catalog that lists all MSRPs for each current model year offered. In the previous year, dealerships were not required to submit a catalog of their base price, which thus made budgeting difficult for entities. To budget: your base dollar price (and statewide quote price) is your percentage discount applied to any given models MSRP. You are required to get quotes from the dealerships to see if they can offer deeper discounts, however, even if a dealer fails to respond to an individual bid, Eligible Users may still purchase the vehicle requested from a dealer, seeking the stated discount.

For example, if an 8% discount is across the board, the dealer **MUST** supply all models with at least an 8% discount, see example below

Compact car, MSRP \$15,000 - \$1,200 (8%) = \$13,800 (base quote to Eligible User)

SUV, MSRP \$22,000 - \$1,760 (8%) = \$20,240 (base quote to Eligible User)

Truck, MSRP \$30,000 - \$2,400 (8%) = \$27,600 (base quote to Eligible User)

Again, dealers can compete to offer extra discounts but it no way can a dealer ever offer lower than an 8% discount and additionally, **MUST** offer 8% on every model offered, no exceptions. A table on the next pages displays each dealership and their base discounts. For each dealerships base price catalog, please visit their statewide page and click on the "Pricing Document" tab.



STATEWIDE VEHICLE CONTRACTS CHART

Vendor	MINIMUM Dealer % off MSRP: Dealers may compete for individual projects and offer deeper discounts.	MINIMUM Dealer % off optional equipment: Dealers may compete for individual projects and offer deeper discounts.
Larry H Miller Chevrolet	13% off MSRP	5% off
Young Chevrolet	14% off MSRP	6% off
Ken Garff Chevrolet	7% off MSRP	7% off
Ken Garff CDJR	12% off MSRP	10% off
Larry H Miller CDJR	4% off MSRP	4% off
Salt Lake Valley CDJR	10% off MSRP	10% off
Young CDJR	10% off MSRP	8% off
Henry Day Ford	7.5% off MSRP	8% off
Ken Garff Ford	9% off MSRP	7% off
Larry H Miller Ford	12% off MSRP	5% off
Young Ford	10% off MSRP	5% off
Tony Divino Toyota	8% off MSRP	10% off
Young Toyota	8% off MSRP	8% off
Young GMC	10% off MSRP	10% off
Nelson GMC	5.5% off MSRP	10% off
Young Honda	7.5% off MSRP	8% off
Stockton 12 Honda	2% off MSRP + destination	10% off

Issuing Procurement Unit v. Conducting Procurement Unit- Could They Be One and The Same?

By Chike Ogbuehi

During the procurement process, agencies are often confused as to which procurement role they are assuming. To clarify the difference between an issuing as opposed to a conducting procurement unit, the words of the Utah Procurement Code and Administrative Rule will be very helpful.

Foremost, a conducting procurement unit conducts all aspects of a procurement except reviewing a solicitation to verify that it is in the proper form and causing the publication of a notice of a solicitation. However, the conducting solicitation unit can prepare the solicitation document, appoint evaluation committee, conduct the evaluation process, select and recommend the person to be awarded a contract, negotiate the contract term and conditions, and administer the contract 63G-6a-103(12).

On the other hand, an issuing procurement unit reviews a solicitation to verify that it is in proper form, causes the notice of a solicitation to be published, and approves the terms and conditions of a contract 63G-6a-103(43).

With respect to a procurement by an executive branch procurement unit, the executive branch procurement unit (Agency) is the conducting procurement unit and is responsible to ensure that the procurement is conducted in compliance with the Procurement Code 63G-6a-109. However, the Division is willing and able to assist at the agency's request.

The Division serves as the issuing procurement unit for the executive branch

agencies under the centralized system of purchasing by the Division. As an issuing procurement unit, the Division does the posting, issuing of public notice, negotiating terms and conditions, and other pre-contractual processes for the agencies.

While there are two sets of responsibilities, the issuing and conducting procurement units can be the same entity. For statewide contracts, the Division of Purchasing serves as both the conducting and issuing procurement unit by writing the solicitation, posting the solicitation, overseeing the evaluation committee, awarding, negotiating, and ensuring that the statewide contract is executed in compliance with the governing laws. Outside of the centralized umbrella of the Division of Purchasing, UCA 63G-6a-106 provides public entities, and some executive branch agencies, independent procurement authority which allows the public entities to complete procurements without the involvement of the Division. A public entity oversees its procurements and, thus, acts as both issuing and conducting procurement unit because they do not rely on the Division of Purchasing at any point during the procurement process.

In conclusion, the Division of Purchasing is always the issuing procurement unit for executive branch entities under the centralized umbrella, but also the conducting unit with relation to statewide contracts. All agencies subject to the Procurement Code and the Division will serve as conducting procurement unit with relation to their agency contracts.

Quotes for Small Purchases over \$5,000

By Tara Eutsler

Small purchases requiring quotes are small dollar procurements that cannot be made from other agencies, such as UCI, Fleet, State Print, and so forth; cannot be made from an existing agency contracts; and cannot be made from a state cooperative contract. Quotes for small purchases for executive branch agencies can be divided into two groups: those that can be completed by the agencies and those that must be sent to the Utah Division of Purchasing.

An executive branch agency uses the quotes for small purchases process when the individual item exceeds \$1,000 AND the total procurement is less than \$5,000. The authority of the agency ends when the total for the procurement exceeds \$5,000, unless they have been given addition authority by the Chief Procurement Officer.

For quotes that will exceed \$5,000, the Administrative Rule R33 grants the authority to the Division of Purchasing for executive branches that do not have independent authority.

R33-5-107

(2) For procurement item(s) where the cost is greater than \$5,000 up to a maximum of \$50,000, ...the Division of Purchasing and General Services on behalf of an executive branch procurement unit without independent procurement authority, ...shall obtain a minimum of two competitive quotes that include minimum specifications and shall purchase the procurement item from

the responsible vendor offering the lowest quote that meets the specifications.

It is the Division's authority to complete the solicitations for the agencies when the procurement will exceed \$5,000; thus, an agency is required to send the solicitation to the Division of Purchasing when it knows the \$5,000 threshold will be exceeded.

But what if the agency did not know prior to receiving quotes that the procurement would exceed \$5,000?

On rare occasion, an agency does not know the items that they needed to purchase will exceed the threshold. The agency completes a quote process and receives the quotes and is a quandary when all the quotes exceed the threshold. When this happens, the agency must stop all solicitation processes. No representative from the agency should contact the vendors. Instead, the agency should put an RQS into FINET and send the solicitation documents, relevant correspondence, and quotes to purchasingsolicitations@utah.gov with the RQS number as the subject. The Division of Purchasing will review the documents, speak with the agency representative, contact the vendors to verify the quotes, and work with the agency to award the solicitation.

Quotes for small purchases under \$5,000 is authority granted to executive branch agencies, but when the procurement will exceed \$5,000, it must be sent to the Division of Purchasing who has the authority.

Welcome, Chike

Chike Ogbuehi holds a J.D. from University of Idaho College of Law (VANDALS!) and a B.S. in Psychology from Brigham Young University-Idaho. He is also an officer in the Utah National Guard and has been in service over 5 years. He has a background in immigration law, drafting and reviewing contracts, and legal research. In his spare time, he enjoys spending time with his family, travelling, running, playing soccer, tennis, and fishing.

Farewell to Kent Beers

By Tani Downing, Executive Director of the Department of Administrative Services

Kent Beers retired as the Chief Procurement Officer effective January 1, 2018. Kent was a long-time State employee, having started with the State in 1989 in the Office of the Legislator Auditor General. In 1998, he was hired as the Assistant Director for DFCM and, in 2008, he was appointed the Director of Purchasing & General Services, which position is held by the Chief Procurement Officer of the State of Utah

Kent is recognized both nationally and locally as an expert in procurement and, because of his efforts, Utah has been recognized as one of the top procurement states every year that Kent has been the Director. One of his major accomplishments is the updating of Utah's Procurement Code and Administrative Rule R33.

Kent has a dry sense of humor and can tell some awesome stories that make you laugh so hard you nearly cry. We will miss him at DAS and wish him the best in retirement!

State of Utah
Division of Purchasing
3150 State Office Building
Capitol Hill Complex
PO Box 141061
Salt Lake City, UT 84114

Phone: 801-538-3026
purchasing.utah.gov



DIVISION OF
PURCHASING & GENERAL
SERVICES

How to Receive the Purchasing Update Newsletter

Did you receive this newsletter from a co-worker? Do you want to receive the Purchasing Update directly? Please follow the appropriate steps below.

(A) Individuals who have a State Google email account:

Step 1: Enter into GROUPS in the State Google email account

Step 2: In the new window's search field, type PURCHASING NEWSLETTER

Step 3: Google will list the "Purchasing Newsletter" as a group. Select the group.

Step 4: Click JOIN GROUP.

Step 5: In the new window, click JOIN GROUP. The administrator will be informed of your request and approve it.

(B) Individuals that do not have a State Google email account:

Please send an email to Tara Eutsler, teutsler@utah.gov.

NEW State of Utah “Best Value” Cooperative Contracts

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
Automated External Defibrillators	MA198	Zoll Medical Corporation	10/05/2017–10/04/2018	New contract won by incumbent vendor. Renewal options available
Chevrolet Vehicles	AV2789	Ken Garff Chevrolet	12/19/2017–10/5/2021	New contract on approved vendor list
Portable Lift and Hydraulic Lift Inspection, Maintenance, and Service	PD2774	Professional Automotive Equipment Inc.	12/28/2017–12/27/2022	
Dump Beds/ Hydraulics/ Box Spreaders	MA2792	Williamsen-Godwin Truck Body Company	01/19/2018–01/18/2023	Purchasing entities of the contract will first select the Primary vendor awarded in category. Please review the contract summary document to determine which vendor is first in the category for which you will be buying.
	MA2793	Semi Services Inc		
	MA2794	Viking Cives Midwest		
	MA2795	Legacy Equipment LLC		
	MA2796	Michels and Wilde DBA Holland Equipment		
Pants, Shoes, & Boots	MA2812	Bob Barker	01/15/2018 – 01/14/2023	
Box Truck Rental (NASPO)	PD2804	Enterprise Holdings, LLC	01/17/2018–12/18/2022	Possible renewals through 12/18/2022



NEW State of Utah “Best Value” Cooperative Contracts

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
Computer Hardware, Peripherals, and Consumer Electronics – PC Stores	MA256	Valcom of Salt Lake City DBA VLCM	1/1/2018 – 12/31/2022	<p>Catagories for these contracts are: 3D Printers; Apple-Branded Products; AV Equipment & Accessories; Computers & Accessories; & Consumer Electronics; Desktop & Office Printers; ID Printers; Plotters; UPS; & UPS services.</p> <p>Entities must review the summary document to determine which categories the vendor has been awarded.</p>
	MA257	En Pointe Technologies Sales, LLC		
	MA258	GovConnection, Inc. DBA Connection		
	MA259			
	MA2778			
	MA2779			
	MA2780	FireFly Computers, LLC		
	MA2781	Core Technologies, LLC.		
	MA2782			
	MA2783	Pictureline, Inc.		
	MA2784	TV Specialists, Inc. DBA TVS Pro		
	MA2785	Troxell Communications, Inc		
	MA2786	Yeagley Enterprises, DBA Eagle Enterprises		
	MA2787	Ehlert Solutions Group		
MA2788				
After Market Vehicle Products for: Lighting & Sirens, Consoles, Spotlights, Gunracks, Computer Mounts, & K-9 Inserts and Electronics	MA289	Vehicle Lighting Solutions, Inc.	12/16/2017 - 12/15/2022	<p>Review the summary sheet to determine the primary vendor for each manufacturer.</p> <p>When ordering product the Primary Vendor must always be contacted first. If the primary vendor is unable to fulfill an order, you must have documentation why the primary vendor is unable to fulfill the order. You may then contact the secondary vendor where you have the documentation about the primary vendor being unable to fulfill the order.</p>
	MA293	Premier Vehicle Installation, Inc.		
	MA2270	Emergency Vehicle Systems		
	MA2771	Ken Garff West Valley		
	MA2772	Tessco Inc.		
	MA2773	Ultra Bright Lightz Llc		

New State of Utah “Best Value Cooperative Contracts

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
Dump Bodies with fold down sides and plat form bodies	MA2797 [Primary]	Semi Services Inc	1/10/2018– 1/09/2023	Purchasing entities of the contract will first select the Primary vendor awarded. Entities must use primary vendor unless order cannot be fulfilled or vendor is unable to meet specific needs (must have documented justification). If the Primary awarded vendor cannot fulfill order, the end-user may then move to the Secondary awarded vendor. If that vendor cannot fulfill order then the end user may move on to the 3rd awarded.
	MA2798 [Secondary]	Williamsen-Godwin Truck Body Company		
	MA2799 [Third]	Wasatch Clean Energy LLC DBA Wasatch Fleet Services		
Service Bodies With Options – Cranes and Lift Gates	MA2802 [Primary]	Semi Services Inc.	01/09/2018– 01/09/2023	Eligible users must order from the primary vendor unless the primary vendor is not able to fill the order in the required time and then they may order from the secondary vendor.
	MA2803 [Secondary]	Wasatch Clean Energy, LLC		
NASPO Software Value-Added Reseller (SVAR) Contract	MA2800	CDW-Government	01/22/2018- 04/07/2018	Multiple award requiring quotes for purchase over \$1,000. Executive Branch agencies contact DTS before purchases

Extended State of Utah “Best Value Cooperative Contracts

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
MMCAP MEDICAL SUPPLIES AND PERSONAL CARE ITEMS	MA2204	Henry Schein, Inc	Thru 8/28/2018	
MEDICAL, HOSPITAL AND PERSONAL CARE ITEMS (MMCAP)	MA264	Medline Industries	Thru 8/28/2018	

Expired or Canceled State of Utah “Best Value Cooperative Contracts

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION

Prior to purchase, end users must check the contract online to determine if a contract is still active. As part of our SUCCESS initiative, the contracts expire and automatically are removed from the search engine. Agencies are responsible to check the Search Engine to determine if a contract is still active.

State of Utah “Best Value” Cooperative Contracts Search Engine location:

<http://purchasing.utah.gov/statecontractdirectory.html>