

# Purchasing Update

January 2020



## Utah Division of Purchasing and General Services

### Site Visits – R33-6-103

By Ann Schliep , Purchasing Agent

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Site visits can be a great tool for both the agency and the vendors. This is an opportunity for an agency to show what work and services need to be done. It is also an opportunity for a vendor to inspect the area and ask questions about the scope of work. Clarification can happen for both the agency and the vendor during a site visit.

If you plan on having a site visit for a project, remember that the following requirements must be posted in the solicitation: **date, time, and location of the site visit**. Indicate that the site visit is mandatory per R33-6-103. If available, you may use audio and video during a site visit and post the results. The recording you make only serves as a record or reminder for you. Viewing or listening to the recording may not be substituted for attendance.

All attendees must sign-in. A typical sign-in sheet consists of the name of the attendee, the company they represent, and contact information. Along with the sign-in sheet, any notes taken (Q&A), and documents handed out that were not part of the original solicitation, must be posted in the solicitation once the site visit is over. Any changes to the scope of work or specifications during the site visit are considered an amendment; thus, the importance of taking notes.

In the solicitation, be sure to set expectations for the site visit. Examples of expectations are: 1) bidders/offerors must have a representative attend and stay for the duration of the site visit; 2) they must not be late or they will be deemed non-responsive and excluded from bidding; 3) they should not be taking phone calls or texts during the site visit; 4) listening to or viewing audio or video recordings of a mandatory site visit may not be substituted for attendance; 5) the length of time the site visit may take; and 6) any other expectations of which the bidders/offerors should be

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aware. It is a good idea at the start of the site visit to reiterate the expectations so all attendees are aware of them.

It is a good idea to have a site visit for janitorial services, grounds maintenance, and any other project or service that the agency feels that it would be advantageous for the vendors to see and understand the location before placing a bid. This give the vendors more clarity on expectations of the scope of

work and they will be able to submit a bid that is based on what they were able to discover during the site visit.

So, the next time you have a project determine if it would be in the best interest of your agency and the vendor community to have a site visit. You may find that the results of having a site visit will be positive. Contact Ann Schliep for more questions at [aschliep@utah.gov](mailto:aschliep@utah.gov).

## Testing, 1, 2, 3...Is This Thing On?

By Brooke Smith, Murray City and David Bundy, Contract Analyst

*This article was also printed in the NIGP Utah Chapter—January 2020 Newsletter.*

We have all heard the inevitable mic test that one does before a presentation but what happens when the frequency you are on is no longer available? **The FCC has created a new rule and starting on July 13, 2020 most, if not all, transmitter packs used for wireless microphones will become illegal to use in the US.**

Wireless microphones are used everywhere from recreation center exercise classes, city council meetings, school auditoriums, performing visual arts venues, and more. Many, if not all, of these wireless microphones operate on 600 MHz frequencies. However, back in April 2017, the FCC sold off this frequency to AT&T to utilize for their 5G wireless network. This means, your agency will not be able to use any wireless microphones operating on the 600 MHz frequency and you could be dealing with a large-scale or multi-site deployment of new wireless microphone systems for your entire organization.

### Here is what you need to know:

1. If you have any wireless microphones in your agency, you are most likely operating on the 600 MHz frequency.
2. **You have until July 13, 2020, to transition your mics out of the 600 MHz band. This is the cut-off date set by the FCC and per 47 U.S. Code § 503, the FCC may impose a fine on anyone who continues to operate in the relevant spectrum of “\$10,000 per violation or per day of the continue violation and \$75,000 per any single act or failure to act.”**
3. Do not wait until the deadline to make the transition. 5G testing by AT&T has already begun and they have reported that several test have demonstrated several scenarios in which its equipment and wireless mics can interfere with

each other. Per AT&T’s contract, if the interference is reported to the FCC, the FCC could tell you to stop using the 600 MHz band immediately and/or start to fine you.

### Possible Solutions:

1. There are several other bands that are available – for example, 900 MHz is available for larger facilities, or 2.4 GHz for smaller venues. You will need to replace your 600 MHz mic sets with one of these other bands.
2. Think about upgrading to a digital wireless system. Digital systems can be encrypted for security purpose and should be available for the foreseeable future.
3. Rebates may be available from your previous microphone carrier. Make sure to reach out to your current provider to see if they have a solution to change frequencies. If not, there are several vendors on the PC Stores Contract who may be able to assist you in finding a solution outside of the 600 MHz frequency:

MA256 VLCM- [bmadsen@vlcmtech.com](mailto:bmadsen@vlcmtech.com)

MA258 En Point Technologies- [reverett@enpointe.com](mailto:reverett@enpointe.com)

MA259 Gov Connection- [kirby.welch@connection.com](mailto:kirby.welch@connection.com)

MA2779 CDWG- [mattols@cdwg.com](mailto:mattols@cdwg.com)

MA2783 Pictureline- [matt@pictureline.com](mailto:matt@pictureline.com)

MA2784 TVs Pro- [info@tvspec.com](mailto:info@tvspec.com)

MA2785 Troxell Communications- [suzanne.wright@trox.com](mailto:suzanne.wright@trox.com)

MA2787 Ehlert Solutions Group- [brad.ehlert@ehlertsg.com](mailto:brad.ehlert@ehlertsg.com)

MA2788 Zones- [teamut.goved@zones.com](mailto:teamut.goved@zones.com)

If you have additional questions about 600 MHz microphones, feel free to contact the David Bundy at Utah Division of Purchasing at [davidbundy@utah.gov](mailto:davidbundy@utah.gov). In the meantime, we suggestion looking for a solution to switch or upgrade your wireless microphone frequency today!

## FINET: Canceling a Contract

By Tara Eutsler, Contract Analyst

*This is part three of a four-part series to help State Agencies understand contract issues that are outside the normal FINET process*

In the course of business, an agency occasionally needs to cancel a contract early. Whether the cancellation is for convenience or for cause, it is important to make sure that the cancellation is according to the terms and conditions of the contract. The cancellation is completed in two steps: sending word to the vendor and requesting the Utah Division of Purchasing cancel the contract in FINET.

### Sending Word to the Vendor

The Agency begins the process by downloading the *FINET Request – Cancellation of Agency Contract* form which is located on the Division's [Purchasing Forms webpage](#). The document is located in the "Contracts, Amendments, Purchase Orders" tab. Complete the following steps.

1. Review to the FINET Request form.
2. Review the terms and conditions (T&C) of the contract to determine what is required and allowed.
3. Draft a cancellation notification to the vendor.
4. Discuss the contract, T&C, and cancellation notification with the agency's Assistant Attorney General (AAG).
5. Obtain a memo/email documentation from the AAG acknowledging that he/she has reviewed the cancellation and that the cancellation was completed according to the T&C.
6. Send the cancellation notification to the vendor by email with a "request read receipt", by registered mail, by FedEx

with signature required, or by another means that provides verification of delivery.

### Canceling the Contract in FINET

The cancellation of a contract is not complete until the contract is canceled in FINET. This prevents possible fraudulent use of a contract. This means providing the information to the Utah Division of Purchasing. The agency should scan the *FINET Request – Cancellation of Agency Contract* form and required documentation to [purchasingcontracts@utah.gov](mailto:purchasingcontracts@utah.gov). The subject of the email should be "Cancellation of Contract xxxxx." A Purchasing Agent reviews the documentation and may call the agency for clarification. When a positive review is complete, the Purchasing Agent requests the Purchasing Coordinator make the required changes in FINET. The contract end date is set to the end date stated in the vendor's cancellation notification. The expiration date is set to allow 90-days to make final payments to the vendor.

If an agency determines that a contract needs to be canceled, don't forget the two steps are required. First, inform the vendor and second inform the Utah Division of Purchasing to cancel the contract in FINET. Remember it is essential to work with the agency's Assistant Attorney General to make sure that cancellation process in the terms and conditions are followed.

Questions? Reach out to Tara Eutsler, [teutsler@utah.gov](mailto:teutsler@utah.gov)

# CONTRACT TERMINATED



## Multiyear Contracts and Renewals (63G-6a-1204):

*By Thinh Doan, Contact Analyst*

Procurement units may enter into multiyear contracts from Invitation for Bids (IFB) and Request for Proposals (RFP). When a procurement unit posts the IFB or RFP, they must state the term of the contract, including all possible renewals of the contract. The question is, should the procurement unit use a multiyear contract or a contract with renewal options?

In making a determination, the procurement officer shall consider whether entering into a multiyear contract will result in significant savings to the procurement unit, including:

1. Reduction of the administrative burden in procuring, negotiating, or administering contracts;
2. Continuity in operations of the procurement unit;
3. The ability to obtain a volume or term discount;
4. Encourage participation by a person who might not otherwise be willing or able to compete for a shorter term contract; or
5. Provide an incentive for a bidder to improve productivity through capital investment or better technology.

R33-12-404 sets the standard contract term for a multiyear contract held by an executive branch procurement unit, including any renewal periods to a period of five years. This is true unless the chief procurement officer determines [in writing] that a shorter or longer term contract is in the best interest of the procurement unit. The factors that you may consider to go over 5 years are: a longer period is necessary in order to obtain the procurement item; a longer term is customary for industry standards; or a longer period is in the best interest of the procurement unit.

A couple of examples where contracts have been executed for longer than the standard 5 years:

1. Software platforms or enterprise systems that require many upfront costs to build and time to launch. It might take more than half the time of the contract just to have the system built, therefore, it would be advantageous to have a longer contract for the custom platform to actually run its course and recoup the development costs.
2. Concession that needs to construct buildings in national parks. These vendors require a lot of upfront costs to construct concession areas and would desire a longer contract to be able to recoup their initial costs.

For renewals, R33-12-404.1 states that procurement units must take into consideration certain factors to ensure fair and open competition in the procurement process and to avoid costs associated with administering contracts with renewal options. These factors include: federal funding requirements; cost associated with administering renewal options; how the cost of the procurement item will be established during those renewal periods; and how the principle of upholding fair and open competition will be maintained. At the Utah Division of Purchasing, it is very rare to reach a threshold where renewals are a viable solution and are usually discouraged.

There are multiple considerations to whether using multiyear contracts longer than 5 years, and whether renewals would be best for your individual contract. This should be done on a case-by-case basis, but lean toward a standard 5 year contract with no contract renewals.





## Kaitee Hall

Kaitee began working as a Purchasing Agent for the Division of Purchasing in February 2017, coming from a position in the banking industry. Kaitee was born and raised in Utah and is currently a senior at the University of Utah where she studies Business Administration full-time. When Kaitee isn't working or studying, she enjoys spending time with her husband and two dogs, Ace and Riley. She also enjoys yoga, hiking, backpacking,

running, board games, art museums, Netflix, and ice cream. Kaitee also speaks some Spanish, but she's getting rusty with lack of practice so if you know Spanish, help her out by speaking to her!

**Q:** If you could live anywhere, where would it be?

**A:** If I could live anywhere, it would be somewhere warm and beachy. Maybe southern California? My husband has family there.

**Q:** What would you sing at Karaoke night?

**A:** You can't go wrong with some Backstreet Boys on Karaoke night! If American Pie wasn't eight minutes long, I might choose that song.

**Q:** If you could only eat one meal for the rest of your life, what would it be?

**A:** I love Pizza, so probably that. Macaroni and cheese and the Café Rio pork salad are also contenders.

**Q:** Do you collect anything?

**A:** No, I don't collect anything. Maybe board games, if that counts? Textbooks?

## 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 send an email to Tara Eutsler, [teutsler@utah.gov](mailto:teutsler@utah.gov).

## Did You Know? Updated Chart

The **Purchasing Flow Chart** was revised in December 2020 to add clarity. This flow chart applies to executive branch agencies. A copy of the updated Purchasing Flow Chart on <https://purchasing.utah.gov/for-agencies/training/> or by downloading the PDF from [this link](#).