



TOOELE CITY CORPORATION
PURCHASING POLICY AND PROCEDURES
August 3, 2022

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I. PURCHASING POLICY PURPOSE STATEMENT

A. THE PURPOSE OF THIS PURCHASING POLICY (HEREINAFTER THE “POLICY”) IS:

1. To ensure that Tooele City citizens’ taxpayer dollars are properly spent and accounted for with the greatest transparency possible.
2. To implement the mandated purchasing regulations of the Utah State Code.
3. To establish responsibility and provide detailed procedures for the department heads (users), the City Recorder (hereinafter the “Purchasing Agent”), the Finance Department (Fiscal), City officials, and other City employees involved in purchasing goods and services for Tooele City.
4. To ensure fair and equitable treatment of all persons who wish to, or do, conduct business with the City.
5. To foster effective broad-based competition within the free enterprise system to ensure that the City will receive the best possible service or product in a cost-effective manner.

B. GENERAL INFORMATION

1. The City Council has established and adopted this Policy through ordinance, and the Mayor has implemented this Policy as the prescribed method and means of purchasing goods and services on behalf of Tooele City.
2. The City has implemented centralized purchasing where responsibilities related to purchasing are centralized in a single purchasing software system.

C. SCOPE

This Policy applies to all Tooele City employees and City officials who in the course of their duties must obtain goods or services to successfully accomplish their assigned tasks.

D. STATUTORY AUTHORITY

This Policy is enacted under the authority of Tooele City Charter Section 1 (Grant of Powers), Tooele City Code Sections 1-14-3 (Purchasing Procedures), 1-22-2 (Purchases and Sales by Established Procedures), Utah Code Section 10-7-86 (Municipality may adopt Utah Procurement Code . . .) and Chapter 63G-6a (Utah Procurement Code), each as amended.

II. PURCHASING AGENT

The Purchasing Agent shall administer the purchasing policy and procedures provided by this Policy. By the statutes referenced herein and by other applicable laws, the Purchasing Agent shall perform the duties and have the power and authority to approve Purchase Orders for all departments of Tooele City.

All rights, powers, authority, and duties relating to the approval of Purchase Orders for goods or services, and the management, control, sale, and disposal thereof, regardless of the source of funding, are hereby assigned to the Purchasing Agent.

The Purchasing Agent may delegate authority granted under this Policy as deemed necessary.

III. PURCHASES

Tooele City purchases are not subject to sales tax. For vendors requiring documentation of tax-exempt status, an Exemption Certificate may be obtained from Accounts Payable, Finance Department.

When a procurement involves the expenditure of State or Federal funds, Tooele City shall comply with the applicable State and Federal laws and regulations.

A. PURCHASE ORDERS

1. The department head shall ensure that funds are available in budgeted line items of the budget for all purchases. If funds are not available, department heads shall obtain approval from the Mayor and City Council to make necessary budget adjustments.
2. The department head, or designee, shall initiate and complete the electronic Purchase Requisition process to request a Purchase Order.
3. Requisitions up to \$3,000 shall be approved by the Purchasing Agent; requisitions \$3,000-\$29,999 shall be approved by the Purchasing Agent and Mayor; requisitions \$30,000 and above shall be approved by the Purchasing Agent, Mayor, and City Council.
4. Purchases shall not be divided in to smaller purchases for the purpose of evading the approval process required by this policy, or for the purpose of avoiding the need to obtain a bid or written contract.
5. Purchase orders for goods or services shall be requested from department heads or designees, as specified below:

No competitive quotes or bids required for purchases:

- Under \$5,000
- Sole source purchases
- State contracts
- Emergencies
- Purchases to repair and maintain equipment owned by the City which may be more economically and efficiently added to, repaired, or maintained, in the judgment of the Purchasing Agent or department head, by a particular person or firm.
- Exchanges of goods between the City and other entities whereby the cost would be below the market cost from vendors.

3 quotes (may be telephone, online searches, or written requests) for purchases:

- \$5,000-\$9,999

3 written quotes or bids required for purchases:

- \$10,000 and above (Council approval and contracts required if \$30,000 or more)
- vehicles and equipment

3 sealed bids, public advertising, Council approval, and contracts required for:

- Capital Projects of \$50,000 or more,

- Building Improvements of \$50,000 or more,
- Public Works Projects of \$50,000 or more,
- Class C Road Projects of \$50,000 or more,
- At department head's request,
- Refer to Section IV below.

6. The Finance Director, in consultation with the Purchasing Agent, may disregard the Purchase Order process and authorize direct payments for ongoing City commitments such as utility bills, insurance premium payments, bond debt-service payments, payment agreements, payroll related expenses, lease payments, gasoline and diesel invoices, or other similar payments.

B. PURCHASE OF INFORMATION TECHNOLOGY EQUIPMENT

Purchase requests for information technology equipment shall be made after consulting with the City's Information Technology (I.T.) Department. The I.T. Department shall make recommendations to the department head and then the purchase may be made by following this Policy.

C. OPEN PURCHASE ORDERS, OR BLANKET PURCHASE ORDERS

1. When frequent purchases of miscellaneous items are made from a single vendor, department heads may initiate a Purchase Requisition requesting the establishment of a Blanket Purchase Order, or an Open Purchase Order, hereinafter "Open PO". The request shall not exceed \$1,000, unless the request is for recurring monthly charges for the same goods, i.e.: gasoline or fuel charges, public notices, monthly contracts, insurance premiums, etc.
2. The department head is responsible to keep records of all miscellaneous items purchased and shall submit all receipts to the Finance Department. The invoice or receipt should include the Open PO number, date, line item, amount, and the department head's signature.
3. Approval of Open POs will follow III(A) above.

D. CREDIT OR CHARGE CARDS, AND LINES OF CREDIT

1. City credit cards are issued in rare instance to approved individuals when no other form of payment can be used. These cards shall be authorized by the Mayor, and the Purchasing Agent shall maintain a list of approved cards in the City's name.
2. City purchasing cards allow City employees to purchase goods through a charge account at a specific place of business. The Purchasing Agent shall maintain a list of purchasing cards.
3. Open lines of credit allow City employees to purchase goods with various vendors who do not issue a purchasing card, on an approved charge account at the place of business.
4. City credit cards shall only be used when a vendor does not offer payment with a purchase order, a purchasing card, open line of credit, or when a vendor will only be used for a one-time purchase.
5. Receipts shall be submitted for purchases using credit cards, charge cards, or open lines of credit, and must not avoid or bypass City purchasing or payment procedures.
6. An independent review and reconciliation is required for each credit card account.
7. Employees to whom City credit cards are issued shall be responsible for the security of the card and the transactions made with the card. The card shall be issued in the employee's name and it will be assumed that any purchases made with the card will have been made by the cardholder, or by department heads authorized to use the card. Credit card holders shall

immediately report any lost or stolen card and/or account information to the Finance Director and the Mayor.

8. Assigned card holders shall report any fraudulent charges or any discrepancies on the statement within 30 days to the Finance Director.

9. If an item which has been purchased with a purchasing card, credit or charge card, or through a line of credit is returned to the place of business, the place of business shall credit the City's account, or issue credit towards the City's card. Employees are not to receive cash, instore credit, or gift cards for returned items.

10. Prohibited credit card purchases:

- i. Any merchant, product, or service normally considered to be an inappropriate use of City funds,
- ii. Purchase of items for personal use or consumption,
- iii. Capital equipment purchases or repair,
- iv. Alcohol,
- v. Fuel for fleet vehicles unless traveling outside of Utah. The City gas card shall be used for fuel purchases,
- vi. Splitting a purchase to remain under purchasing policy limits.

11. Violations of this section of the Policy or improper use of credit cards may subject City officials to corrective and disciplinary action, up to and including dismissal from employment.

E. PETTY CASH FUNDS

1. Petty cash funds are funds to be used for incidental purchases, or emergency purchases that are less than \$50.

2. A written receipt, a store-issued receipt, or a pre-authorization form shall be given at the time of disbursement of funds. The receipt shall be signed, and an account line item assigned by the employee requesting the funds.

3. Petty cash shall be under lock and key at all times.

4. When requesting to replenish petty cash, a Petty Cash Log shall be filled out, balancing the starting cash, money disbursed, and ending cash. The log shall be signed by the representative and department head.

5. The amount of petty cash or cash for the cash box shall be no more than \$250 at any time.

F. USE OF CITY FUNDS TO PURCHASE EMPLOYEE MEALS, CLOTHING, ETC.

1. It is the goal of Tooele City to keep departments operating under uniform guidelines and policies, to treat similarly situated employees similarly, and to ensure that tax dollars are used responsibly for business purposes. The use of City funds to purchase employee meals, clothing, or other items may be considered job-related and a business necessity under certain circumstances, approved by department heads with the Mayor's consent. Some items, however, may be viewed as an employee "gift" or "perk" and Tooele City's Personnel Policies and Procedures should be referred for policy implication relative to such personal purchases for employees. In general:

i. Using City funds to provide incidental lunches or other meals to employees is allowed under this policy:

- a. If it is in conjunction with training that has been approved by the department head. The training and expenditure shall be included and approved in the department's annual budget request. The training itinerary shall be included if an employee reimbursement request is submitted. The value may be taxable to

the employee pursuant to I.R.S. guidelines. Consult with the Human Resource Department to make this determination.

b. If an employee is working beyond their normal work schedule (usually an 8-hour shift) to handle an emergency or natural disaster, or attending City Council meetings.

c. If it is a retirement luncheon, and allowed under Tooele City Personnel Policies and Procedures such as guidelines for a retirement luncheon.

ii. Using City funds to provide clothing or other personal items to employees shall be permitted if:

a. The purpose of providing the item has a business purpose such as: issued for field identification as a City employee or as a required uniform item, is a safety-related item of a personal nature (i.e. steel-toed shoes), is issued for a marketing program or event, is issued for professional identification at an event, or other similar circumstances.

b. The clothing is embroidered, screened, or somehow otherwise identified as "Tooele City", and the nature or design of the item would be used only for official work purposes.

c. The expenditure is included and approved in the department's annual budget request.

d. It is allowed for under Tooele City Personnel Policies and Procedures such as guidelines for a retirement gift.

G. CITY VEHICLES

1. Requests for purchases of City vehicles shall be included and approved in departmental or capital projects budgets.

2. Department heads shall follow the guidelines listed above regarding the need to obtain bids or quotes for the vehicle request, with one bid from a local dealer. (Three bids are not necessary if purchased through a state contract.)

3. Department heads shall request the purchase through the Mayor, then it will be brought before the City Council for approval, if required.

4. The shops supervisor shall make the purchase, add it to the fleet vehicle list, and take the paperwork to finance and the Purchasing Agent.

5. Finance shall add the vehicle to the asset list, and the Purchasing Agent shall add the vehicle to the insurance list.

6. When vehicles are needed, and have not been approved in a department's budget, requests shall be made through the Mayor, then the City Council, and a budget amendment shall be made. After approval, the steps outlined above shall be followed.

7. When vehicles are outdated or no longer needed by a department, they will follow the surplus process as stated in the Surplus section below.

H. VENDORS

1. Vendors providing goods and/or services shall be on the City's vendor list.

2. To add a new vendor to the City's vendor list, department heads, or designees, shall direct vendors to provide a current and signed W-9 and a Utah Retirement Systems Post-Employment/Post-Retirement Restrictions Act Certificate & Release (see Attachment "C") to Accounts Payable. The new vendor, if approved, will then be added to the City's vendor list, and assigned a vendor number.

3. Purchases are not subject to sales tax. For vendors requiring documentation of tax-exempt status, a TC-712G Exemption Certificate for Governments and Schools may be obtained from Accounts Payable.

IV. CAPITAL PROJECTS, BUILDING IMPROVEMENTS, PUBLIC WORKS PROJECTS, CLASS C ROAD PROJECTS, AND OTHER LARGE PROJECTS

Capital projects, building improvements, public works projects, Class C road projects, and other large projects (hereinafter "Projects") will be determined as specifically as possible and shall be presented each year to the City Council by the Mayor and/or department heads for approval with their budget requests.

Department heads, when contemplating Projects, shall cause plans and specifications for, and an estimate of, the cost of the Project to be prepared by qualified persons. If it is necessary to contract with outside qualified design professionals, the Mayor's approval shall be obtained, and a Contract or Form "A" may be completed.

A. BIDS

1. Written bids or quotes are required for expenditures or purchases costing \$10,000 and above. Bids for these types of expenditures or purchases do not need to be sealed bids, and do not need to be opened publicly. Department heads, or designees, shall use Attachment "A" to turn in bids and the accompanying contract (if applicable) to the Purchasing Agent. At department head's discretion the sealed bid process may be used for any purchase.
2. When Projects are \$50,000 or more, competitive sealed bids are required. The Purchasing Agent or Engineer shall prepare a Public Notice inviting prospective suppliers to submit a bid. Public notice of the invitation for bids shall be given at least 10 days prior to the date set forth therein for the opening of bids for certain Projects, and for three weeks for Class C Road projects.
3. The Public Notice shall include:
 - i. Description of the services or items to be purchased and all contractual terms and conditions applicable to the procurement.
 - ii. Instructions concerning the location and acquisition of bidding documents,
 - iii. Date, time, and place of the opening of formal sealed bids.
4. The Purchasing Agent shall post notice pursuant to U.C.A. 63G-6a-112, which includes:
 - i. Post at Tooele City Hall,
 - ii. Post on the City website,
 - iii. Post on the State Public Notice website,
 - iv. Publish in a local newspaper of general circulation, as required by law.
5. All notices calling for bids shall state, "Tooele City reserves the right to reject any and/or all bids presented." This rejection right includes any formal bid and/or sealed competitive bids with or without cause. If all bids are rejected and the governing body determines to complete the Project, the City shall advertise again pursuant to this Policy.
6. Bids shall be opened publicly by the Purchasing Agent, or a designee, in the presence of one or more witnesses at the time and place designated in the invitation for bids. The amount of each bid and any other relevant information, together with the name of each bidder, shall be recorded. The record and each bid shall be open to public inspection.

7. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this Policy. Bids shall be evaluated based on the requirements set forth in the invitation for bids.
8. Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted. After bid opening no changes in bid prices or other provisions of bids prejudicial to the interest of the City or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids or to cancel awards or contracts based on bid mistakes shall be supported by a written determination made by the appropriate department head or Purchasing Agent.
9. The contract shall be awarded with reasonable promptness, by written notice, to the lowest responsive responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids.
10. All contracts for Projects shall be in writing. Contracts for Projects costing less than \$50,000 may use the Agreement attached as Exhibit "B". Contracts for Projects costing \$50,000 or more shall use more detailed industry standard construction contracts, where available, prepared by the contractor, department heads, or City Engineer.
11. Once a contract has been approved through the process outlined above, individual invoices do not need to be brought before the Council for approval even if they exceed \$30,000, but change orders exceeding \$30,000 shall be approved and authorized by the City Council. Please see Section VIII regarding Change Orders.
12. Contracts for services such as worker's compensation, health and dental insurance, short-term disability, general liability insurance, and other services may not need to be bid out every year, upon approval of the Mayor. (See Section VII below for more information about contracts.)

B. USE OF REQUESTS FOR PROPOSALS (RFP) IN LIEU OF BIDS

1. The RFP process may be used when the nature of the work to be performed, or the product to be purchased, has the potential to be satisfied with various competitive bidding options which may be difficult to identify and accurately described. This process shall only be used when the Mayor or a designee determines that this process is more advantageous to the City in determining a responsible contractor or the use of the competitive bid process is impractical.
2. Public notice of the RFP shall be given at least 14 days prior to the advertised date of the opening of the proposals.
3. Proposals shall be opened so as to avoid disclosure of contents to competing offerors. A register of proposals shall be prepared and shall be open for public inspection after contract award.
4. The request for proposals shall state the relative importance of price and other evaluating Factors, which may include references, experience, work history, unit pricing, mobilization and crew timing and capacity, change order history, RFI history, bid document compliance, bonding capacity, and other relevant factors.
5. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussion, there shall be no disclosure of any information derived from proposals submitted by competing offerors.
6. Proposals shall be evaluated with references to weighted preestablished evaluation factors.

7. Award shall be made by contract to the person whose proposal is determined, in writing, to be the most advantageous to the City, taking into consideration price and the valuation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The contact file shall contain the basis on which the award is made.
8. Contracts for RFPs shall follow the contract section in VII below.

C. QUALIFICATION OF BIDDERS AND SUPPLIERS

1. When appropriate, as determined by the Purchasing Agent and the department head, in consultation with the City Attorney, a bidder, supplier, or contractor may be required to prequalify for providing certain types of goods or services. To determine the capability and responsibility of these providers certain predetermined responsibility factors must be considered, which shall include the following:
 - i. Availability of the appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate the capability of the bidder, supplier, or contractor to meet contractual requirements.
 - ii. A satisfactory record of performance, in the discretion of the Purchasing Agent and department head.
 - iii. A satisfactory record of integrity, in the discretion of the Purchasing Agent and department head.
 - iv. Legal qualifications to contract with Tooele City Corporation.
 - v. Whether all necessary information has been supplied in connection with the inquiry concerning responsibility, in the discretion of the Purchasing Agent.
2. The bidder, supplier, or contractor shall supply all information requested by the City concerning their responsibility. If such information is not supplied, the City may make the determination based on available information or may find the bidder, supplier, or contractor non-responsive and/or not responsible.

D. CANCELLATION AND REJECTION OF BIDS

An invitation for bids, a request for proposals, or other solicitation may be cancelled, or any or all bids or proposals may be rejected, in whole or in part, as may be specified in the solicitation, when it is in the best interests of the City. The reasons shall be made part of the contract file.

V. CHECK GENERATION

- A. The Finance Director, or designee, shall examine all invoices and payment demands against Tooele City. Checks will not be prepared unless the examination proves the existence of appropriate documentation in the form of completed Purchase Requisitions, Purchase Orders, and invoices to the Finance Director's satisfaction.
- B. Accounts Payable, on receipt of an invoice, shall match the demands for payment to the approved Purchase Orders and shall generate checks. Accounts Payable may edit Purchase Requisition amounts, up to a maximum of \$25.00, when there are small differences between the quoted amount and the amount invoiced.
- C. Accounts Payable shall attach the appropriate documentation to the checks, and deliver for signature. The checks shall have two signatures, from those authorized to sign. In order to maintain a check and balance, the checks shall not be signed by Accounts Payable or by any payee of a check.

VI. SURPLUS

- A. When goods are deemed surplus, outdated, or no longer needed by a department, and are valued at \$100 or more, the Purchasing Agent will recommend the transfer or disposal of the goods. If the Purchasing Agent is recommending disposal, he/she shall present a list of all goods valued at \$100 or more to the City Council for approval of disposal. Reference Utah Code Chapters 24-3 and 77-24a, each as amended, and Tooele City's Disposal of Technology-Related Equipment Procedure.
- B. Surplus items shall not be given to employees or employees' immediate family members. Employees or employees' immediate family members may purchase surplus items as part of a sale or auction as long as preferential treatment is not given to any employee or employee's immediate family members.

VII. CONTRACTS

- A. All contracts \$30,000 and above must be approved by Fiscal Note or Resolution of the Tooele City Council. No department, office, advisory or policy board or other organization of Tooele City, nor any officer or employee thereof, shall be empowered to execute any Purchase Order or contract except as specifically authorized in this Policy or by other applicable law. All contracts in violation of this provision are considered void and may result in the personal obligation and liability of persons at fault for such violations. (Utah State Auditor Template Language, General Provision #2)
- B. With specific reference to Section 10-6-138 of UCA 1953, as amended, the Purchasing Agent, may sign as either the City Recorder or the Purchasing Agent contracts made on behalf of Tooele City. There will be no need for two signatures from the same person to meet this provision.
- C. All contracts for goods and services shall be signed by the Mayor, attested by the Purchasing Agent, and approved as to form by the City Attorney. Approval as to form by the City Attorney is an indication that the contract is ready to be signed and attested.
- D. Contracts shall include, at a minimum, the information required on the form attached to this Policy, as ATTACHMENT "A".
- E. All large project contracts shall be in writing. Construction contracts for Projects costing less than \$50,000 may use the Agreement attached as Exhibit "B". Projects with contracts costing \$50,000 or more shall use more detailed industry standard construction contracts, where available, prepared by the contractor, department heads, or City Engineer. Performance and Payment bonds established in an amount determined by department heads or City Engineer necessary to protect the best interest of the City, and a penalty for not completing the scope of service stated in the agreement or contract by the agreed date shall be included.
- F. The Purchasing Agent shall ensure that all documents are attached to, or provided as part of entering into, all written contracts, including the Agreement, Contract, or short form contract, Certificate of Liability Insurance, Certificate of Workers Compensation Insurance, Business License, Vendor tax identification information, etc., as applicable.
- G. The Purchasing Agent shall establish and maintain a file of all contracts, and an indexed record of all contracts, with required attachments.
- H. **EXCEPTIONS TO THE SOURCE SELECTION AND CONTRACT FORMATION**
1. Upon approval of the Mayor, professional services including but not limited to: auditing, appraisals, architecture, banking, artistic design, engineering, legal and other consulting services, and continued specialty maintenance services (i.e. services at the wastewater treatment plant) may be awarded based on professional qualifications, service ability, cost of service, and other criteria.

2. The City Engineer shall be utilized to perform engineering services for the City. If the City Engineer is unable or unavailable to perform the needed engineering services, outside engineering services may be sought upon approval of the Mayor, and documented on Form “A”.

VIII. CHANGE ORDERS

The City recognizes that change orders are a normal component of the procurement process. This section outlines when modifications to approved contracts qualify as change orders and the approval process for change orders.

- A. Modifications to approved contracts shall be deemed change orders when the Mayor and Purchasing Agent determine that:
 1. The modification is related in some manner to the same or similar project approved in the contract,
and
 2. Treating the modification as a change order would maximize efficiency in completion of and cost savings to the City.
- B. Change Order approval process:
 1. Individual change orders below \$30,000 may be approved by the responsible department head or City engineer after consultation with the Mayor and Purchasing Agent, provided the change order is within the approved project budget. Change orders similar in nature and timing shall not be split into multiple change orders to fall below the \$30,000 threshold.
 2. Individual change orders \$30,000 and above shall be approved by the Mayor and City Council after consultation with the responsible department head or City engineer, provided the change order is within the approved project budget.

IX. EMPLOYEE REIMBURSEMENT

- A. Reimbursement for expenses related to travel and training shall be submitted on the Tooele City Expense Reimbursement Report, signed by the employee and department head. Department head requests for reimbursement shall be approved and signed by the Mayor. The City Council and Mayor’s requests for reimbursement shall be approved and signed by the City Council Chairperson. The signed reimbursement report shall include the required signatures, a Purchase Order number, receipts for non-per-diem expenses, if available, and a copy of the training itinerary.
- B. Purchases made by employees using their own funds or credit card for goods relating to city business shall be submitted on the Tooele City Expense Reimbursement Report, signed by the employee, department head, and the Mayor. Receipts are required (refer to Tooele City Policies and Procedures Section 24 for procedure of submitting Reimbursement Requests).

X. ETHICAL CONDUCT AND CONFLICTS OF INTEREST

A. ETHICAL CONDUCT AND FIDUCIARY DUTY

All Tooele City officials individually commit themselves in their official capacity to ethical and lawful conduct, including appropriate use of their City authority. The term “City official” is defined in Section X1 of this Purchasing Policy and includes all City employees (full-time, part-time, seasonal, etc.), elected officials, appointed officials, and volunteers. This commitment is an express condition of Tooele City employment and service as a City official. City officials owe a fiduciary duty to Tooele City, which means they must serve the interests of Tooele City above any personal and business interests that may conflict with the City’s interests. City officials must not act in a manner that is

contrary to their fiduciary duty to the City. City officials must avoid actual conflicts of interest, potential conflicts of interest, and even the appearance of a conflict of interest. This level of professional conduct is vital to ensure and maintain public confidence in the Tooele City officials and in Tooele City government.

B. STANDARDS OF ETHICAL CONDUCT

Tooele City follows the standards of ethical conduct explained in detail in the Utah Municipal Officers' and Employees' Ethics Act (UCA 10-3-1301 et seq.: the "Act"). The purposes of the Act are to establish standards of ethical conduct for City officials and to require disclosure of actual or potential conflicts between the public duties and personal interests of City officials. The subsections below cover the Act's main provisions, but are not exclusive. ("UCA" means the Utah Code. The Utah Code is available on the Utah Code page of the Utah Legislature website. "Policy Manual" means the Tooele City Personnel Policies and Procedures Manual. Tooele City provides additional guidance to City employees regarding standards of ethical conduct through various policies in the Policy Manual. The Policy Manual is available on the Human Resources page of the Tooele City website.)

1. Required Disclosures. All City officials shall make the following required disclosures. Disclosures shall be made annually on a form ("Disclosure Form") approved by the Purchasing Agent.
 - i. Compensation: City Council and Other Committee Members. A member of the Tooele City Council, Planning Commission, RDA Board, or other City board, commission, or committee (collectively "City Committee") must disclose receiving any compensation, or agreeing to receive any compensation, for assisting a person or a business in a transaction involving the City (e.g., a contract or a purchase). Two types of disclosure are required. First, the member must file a Disclosure Form with the Mayor. Second, the member must disclose the relationship to the member's particular City Committee, in an open meeting, before any discussion of the transaction occurs. (See UCA 10-3-1305 for disclosure details.)
 - ii. Compensation: All Other Employees. Subsection B.1.i., above, also applies to City officials who are not members of a City Committee. City officials must file a Disclosure Form with the Mayor and also must inform their supervisor. (See UCA 10-3-1305 for disclosure details.)
 - iii. Business Regulated by City: All Employees. City officials must disclose when they are an officer, director, agent, owner, investor, or employee of a business regulated by Tooele City. If a business requires a Tooele City business license or a conditional use permit, it is regulated by the City. Disclosure is made on a Disclosure Form filed with the Mayor. (See UCA 10-3-1306 for Disclosure details.)
 - iv. Business Ownership: City Council and Other Committee Members. A member of a City Committee must disclose when they are an officer, director, agent, owner, investor, or employee with a business that conducts business with the City. The member must disclose the relationship to the member's particular City Committee, in an open meeting, before any discussion occurs of matters involving the business conducted. (See UCA 10-3-1307 for disclosure details.)
 - v. Business Ownership: All Other Employees. Subsection B.1.iv., above, also applies to City officials who are not members of a City Committee. Disclosure is made on a Disclosure Form filed with the Mayor. (See UCA 10-3-1307 for disclosure details.)
 - vi. General Conflicts: City Council and Other Committee Members. A member of a City Committee must disclose any conflict between their personal interests and their

public duties. Two types of disclosure are required. First, the member must file a Disclosure Form with the Mayor. Second, the member must disclose the relationship to the member's particular Committee, in an open meeting. (See UCA 10-3-1308. See UCA 10-3-1306 and -1308 for disclosure details.)

vii. General Conflicts: All Other Employees. Subsection B.1.vi., above, also applies to City officials who are not members of a City Committee. Disclosure is made on a Disclosure Form filed with the Mayor. (See UCA 10-3-1306 for disclosure details.)

viii. Disclosure Forms. All City officials will submit a completed Disclosure Form in January of every year to the Purchasing Agent, who shall deliver to the Mayor all Disclosure Forms required by subsections B.1.i-vii., above. The Mayor shall report to the City Council all Disclosure Forms required by the Act and by subsections B.1.i-vii., above, or a summary of the Forms. If a conflict arises during the year after the annual Disclosure Form has been submitted, a new Disclosure Form shall be submitted following the procedure outlined above.

2. Conflict of Interest Relationships. The relationships described in subsections B.1.i-viii., above, are prohibited conflict of interest relationships unless the required disclosures are made. If the required disclosures are made, the relationships are allowed.

3. Prohibited Conduct.

i. Failure to Disclose. Failure to make the disclosures required by the Act and by this Section is prohibited.

ii. Inducement. All persons, including City officials, are prohibited from inducing or seeking to induce any City employee to violate any of the provisions of the Act or of this Section.

iii. General Violations. Any purchase, sale, or other distribution made in violation of this Purchasing Policy is prohibited.

iv. Surplus Property. No City official may purchase or receive surplus City property unless through a public sale on the same terms as the general public, with no preferential treatment.

v. City Records. City officials shall not disclose or use records classified as Private, Controlled, or Protected acquired by City officials because of their city positions or duties in order to further their personal financial interests. (See UCA 10-3-1304(2)(a). Private, Controlled, and Protected records are listed in the Utah Government Records Access and Management Act (GRAMA). See UCA 63G-2-302, -303, -304, and -305.)

vi. Personal Gain. City officials shall not use their City positions to further their personal financial interests or to secure special privileges for any person. (See UCA 10-3-1304(2)(b)).

vii. Financial Benefits. City officials shall not accept gifts or other financial benefits of any value that might improperly influence the faithful and impartial discharge of their public duties. Such gifts include loans on more favorable terms than available to the general public, and pay at a higher rate than the market rate. (See UCA 10-3-1304(2)(c))

viii. Gifts as Rewards. City officials shall not accept gifts or other financial benefits of any value that could be considered a reward to the employee for official actions taken. Such gifts include loans on more favorable terms than available to the general public and pay at a higher rate than the market rate. (See UCA 10-3-1304(2)(c))

ix. Allowable Gifts. City officials may accept occasional non-cash gifts that do not violate Subsection B.4.vii-viii. above, and that do not exceed the monetary values identified in Policy Manual Section 31.A.2., which also contains a detailed list of allowed and prohibited gifts.

4. Penalties for Violation.
 - i. The Act provides that any City official who has a conflict of interest relationship and who knowingly and intentionally fails to make the required disclosures can be removed from office or employments. (See UCA 10-3-1312)
 - ii. The Act provides that City officials who knowingly and intentionally receive compensation in violation of subsections B.1.i-ii., above, have committed a crime and may be both prosecuted and removed from office or employments. (See UCA 10-3-1310)
 - iii. The Act provides that City officials who knowingly, intentionally, and improperly disclose records, accept gifts, or use their official position in violation of subsections B.4.iii-vi., above, have committed a crime and may be both prosecuted and removed from office or employment. (See UCA 10-3-1310)
 - iv. Violations of the Act or this Policy may subject City officials to corrective and disciplinary action, up to and including dismissal from employment.

SECTION XI: DEFINITIONS

The terms used in this policy shall have the following meanings:

- (1) Agent means employees, as defined below, as well as authorized volunteers who have purchasing responsibilities for the City.
- (2) Blanket Purchase Order means an agreement with a specific vendor that authorizes the purchase of items over a period less than a year with reconciliation of purchases and payment to the vendor on a monthly basis. Use of this type of Purchase Order is restricted to the purchase of repetitively used items of low value.
- (3) Bidding means the procedure used to solicit quotations on price and delivery from suppliers of services, supplies, material, or equipment and contracts for public improvement.
- (4) Business means any corporation, partnership, individual, sole proprietor, company, or any other properly licensed legal entity engaged in the sales of goods and services.
- (5) Building Improvement means the construction or repair of a public building or structure.
- (6) Capital Projects means a long-term project that helps maintain or improve a city asset, often called infrastructure. It is a new construction, expansion, renovation, or replacement project for an existing facility or facilities.
- (7) Change Order means a written order directing the contractor to suspend work or make changes that are similar in nature to the contract.
- (8) Charge Card means a card from a place of business for the purchase of goods with an account that must be paid when a receipt is issued. For example, the City has charge cards for local businesses such as Home Depot and Wal-Mart.
- (9) City Official means employees, as defined below, as well as authorized volunteers who have purchasing responsibilities for the City.
- (10) Construction means the process of building, altering, repairing, improving, or demolishing any public structure or building or other public improvements of any kind to any public real property. It does not include the routine repair, operation, or maintenance of existing structures, buildings, or real property. Construction is a type of service.
- (11) Contract means all types of City agreements, regardless of what their title is, used for the purchase of goods or services. The term includes awards and notices of award, contracts of fixed price and cost plus a fixed fee, incentive agreements, contracts providing issuance of job or task orders, leases, letter contracts, letter extensions to existing contracts or agreements and Purchase Orders with contractors. The term includes supplemental agreements with respect to any of the foregoing.
- (12) Contractor means any person or business having a contract with Tooele City Corporation.
- (13) Credit Card means a small plastic card issued by a bank, business, etc., allowing the holder to purchase goods or services on credit.
- (14) Department Head means the appointed director of each of the several administrative departments. The term Department Head includes authorized designees.
- (15) Emergency means an imminent threat to the public's health, welfare, or safety.
- (16) Employee means an individual drawing a salary or wage from Tooele City, whether elected or not, and any part-time individual performing services for the City.
- (17) Goods means supplies, materials, equipment, wares, merchandise, and similar items.
- (18) Governing Body means the Tooele City Council.
- (19) Immediate family means employee's spouse, parent, dependent children, and other dependent relatives.
- (20) Invitation for bids means all documents, whether attached or incorporated by reference, used for soliciting bids.

- (21) Line of Credit means an arrangement between a business and the City that allows purchases of goods, with an established maximum balance. An example is the line of credit at the local grocery store is Maceys.
- (22) Miscellaneous Items means goods of a low-dollar value, such as expendable, minor nonexpendable, and consumable items.
- (23) Officers means employees, as defined below, as well as authorized volunteers who have purchasing responsibilities for the City.
- (24) Official means employees, as defined below, as well as authorized volunteers who have purchasing responsibilities for the City.
- (25) Person means any individual, business, committee, club, or other organization or group of individuals.
- (26) Public Property means any item of real or personal property owned by the City.
- (27) Public Works Project means the construction of a park, recreational facility, pipeline, culvert, dam, canal, or other system for water, sewage, storm water, or flood control. Public Works Project does not include the replacement or repair of existing infrastructure on private property, or emergency work, minor alteration, ordinary repair, or maintenance necessary to preserve a public improvement (such as lowering or repairing water mains; making connections with water mains; grading, repairing, or maintaining streets, sidewalks, bridges, culverts or conduits).
- (28) Purchasing means the buying, procurement, renting, leasing, acquisition, or otherwise obtaining any supplies, material, equipment, services, or construction. It also includes all functions that pertain to the obtaining of any public property including the description or requirement, selection and solicitation of sources, preparation and award to contract, and all phases of the contract administration.
- (29) Purchasing Agent means the City Recorder.
- (30) Purchase Order means a document, with a specific number assigned, that is generated after a Purchase Requisition or Requisition has been entered in the purchasing system. It requires approval by the Purchasing Agent, Mayor and City Council, when applicable.
- (31) Purchase Requisition or Requisition means a request that may include the technical description of the requested items(s), delivery schedule, transportation, criteria for evaluation of the vendors, suggested sources of supply, and other information available to the requesting department that may help the Purchasing Agent make written determinations and findings required by this policy.
- (32) Request for proposals means all documents, whether attached or incorporated by reference, used for soliciting proposals.
- (33) Services mean the furnishing of labor, time, and effort, by a person, not involving the delivery of a specific end product. The term may include the furnishing of reports, which are incidental to the required performance in providing the requested services. Services includes construction.
- (34) Sole Source means that only one supplier or vendor is capable of providing an item or service, and therefore it is not possible to obtain competitive bids.
- (35) Users mean employees that are involved in purchasing goods and services for Tooele City.



FORM TO BE INCLUDED WITH ALL CONTRACTS/AGREEMENTS, OR PURCHASES OVER \$30,000

Name of project:	
Name and address of vendor:	
Vendor number:	If the vendor doesn't have a number, obtain a W-9 and give to accounts payable, who will assign a vendor number.
Line item:	

CHOOSE ONE OF THESE 8 OPTIONS:

1. Contract was awarded with no bids and is under \$5,000
2. Contract was awarded with no bids and is through a state contract or sole source – attach verification (include state contract no.)
3. Contract was awarded due to an emergency (attach description of emergency)
4. Contract or purchase was awarded after 3 phone/internet quotes (attach quotes and include dates)
Contract or purchase is \$5,000 - \$9,999
5. Contract or purchase was awarded after 3 written quotes (attach quotes and include dates) and is over \$10,000
6. Contract or purchase was awarded after competitive sealed bids (attach bids and include dates) and is \$50,000 or more
7. Contract was awarded after requests for proposals (RFP) (attach bids and include dates)
8. Contract was awarded with this exception:

Also attach:

- Copy of current business license
- Certificate of Liability Insurance
- Workers Compensation Certificate
- Utah Retirement Systems Post-Employment/Post-Retirement Restrictions Act Certification & Release
- Verification of licensure with the State of Utah, (obtain at:
<https://secure.utah.gov/llv/search/index/html> or <https://secure.utah.gov/bes>)

Contract is effective from _____ to _____.				
Date the contract was approved by Council and Resolution number:				
If this contract is for goods or product, what other ongoing expenses will it include, or how will it affect future budgets?				
Notes:				
<table style="width: 100%; border: none;"> <tr> <td style="width: 30%; border-bottom: 1px solid black; text-align: center;">City Recorder</td> <td style="width: 10%; border-bottom: 1px solid black; text-align: center;">Date</td> <td style="width: 30%; border-bottom: 1px solid black; text-align: center;">Department Head</td> <td style="width: 10%; border-bottom: 1px solid black; text-align: center;">Date</td> </tr> </table>	City Recorder	Date	Department Head	Date
City Recorder	Date	Department Head	Date	

ATTACHMENT "B"



AGREEMENT

TOOELE CITY CORPORATION, a municipal corporation of the State of Utah, (hereinafter "City"), and [NAME] of [ADDRESS], a(n) [individual/company type], (hereinafter "Contractor") enter into this Agreement on the _____ day of _____, 20__ (the "Effective Date").

Now, therefore, in consideration of the promises contained in this Agreement, the City and the Contractor agree to the following:

- 1. Services (Scope of Work). The Contractor shall provide the following services to the City:

- 2. Disclaimer of Right of Control. Contractor shall perform its duties competently. The City disclaims any right to control the Contractor's performance of the Services.
- 3. Compensation.
 - a. Rate. The City shall pay the Contractor the sum of \$_____ for fully performing the Services, pursuant to invoice.
 - b. Total Cost Contract. This Agreement is a (Total Cost Contract.) The contract Rate includes all costs and expenses associated with the provision of the Services.
 - c. No Benefits. The parties specifically agree that as an independent contractor, Contractor neither claims nor is entitled to benefits accorded City employees.
- 4. Term of Agreement. Contractor shall fully perform the Services by [DATE].
- 5. Termination. The City may terminate this Agreement at any time. Should the City terminate this Agreement prior to the Services being fully performed, the City shall pay for those Services performed.
- 6. Indemnification and Insurance.
 - a. Contractor Liability Insurance. Contractor shall obtain and maintain liability insurance in the amount of at least \$1,000,000.
 - b. Contractor Indemnification. Contractor shall indemnify and hold the City and its agents harmless from all claims of liability for injury or damage caused by any act or omission of Contractor or its agents in performance of this Agreement.
 - c. Contractor Workers Compensation Insurance. Contractor shall purchase and maintain workers compensation insurance for all of its employees. If Contractor is a sole proprietor, Contractor shall purchase and maintain workers compensation insurance or obtain an exclusion from Workers Compensation Fund of Utah.
 - d. Evidence of Contractor Insurance. Contractor shall provide written evidence of liability insurance and workers compensation insurance or exclusion to the City within ten (10) days of the Effective Date. The City will not make any payments under this Agreement until it receives from Contractor the evidence of insurance.

- e. Status Verification Indemnification. Contractor shall indemnify and hold the City and its agents harmless from all claims resulting from any violation of immigration status verification obligations contained in U.C.A. §63G-11-103 et seq.
 - f. Post-Retirement Release. Contractor shall release the City from all claims related to any alleged violation of State of Utah post-retirement employment rules, and shall complete and return to the City the attached certification and release.
7. Business License. Contractor shall obtain a Tooele City business license as required by Tooele City Code §5-1-1 et seq.
8. Complete Agreement. This Agreement is the only agreement or understanding between the parties, and may be modified or amended only by a written document signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

TOOELE CITY CORPORATION

CONTRACTOR

Debra E. Winn, Tooele City Mayor

Signature
Print Name/Title: _____

Attest:

Michelle Y. Pitt, Tooele City Recorder

SEAL

Approved as to form:

Roger Evans Baker, Tooele City Attorney

(Revised 05/24/2017)

ATTACHMENT "C"



**UTAH RETIREMENT SYSTEMS
POST-EMPLOYMENT/POST-RETIREMENT
RESTRICTIONS ACT CERTIFICATION & RELEASE**

Tooele City is a Utah Retirement System (URS) participating agency. As a participating agency, post-retirement employment/vendor/contractor rules apply. Post-retirement employment means returning to work either on our payroll or as a vendor/contractor for a URS participating employer following your retirement date with the Utah Retirement Systems. Different standards apply depending on whether you return to work within one year or after one year from your retirement date with URS.

You must separate from employment (including part-time and vendor/contractor arrangements) with any participating employer for one year following your retirement date with URS, unless eligible exclusions apply.

You are responsible for understanding post-retirement employment rules and ensuring there is no violation of such rules by providing services to Tooele City Corporation. **If you have any questions, call the URS office at 801-366-7770 or 800-695-4877 before you begin any work for or provide any services to Tooele City.**

CHECK APPLICABLE BOX:

- Contractor (a sole proprietor) certifies that he or she is NOT a Utah State Retirement Systems (URS) retiree and acknowledges that should he/she retire from the URS system in the future, he/she assumes all responsibility for compliance with post-retirement reemployment restrictions, notifications, and/or penalties that may occur at any time in the future.
- Contractor (on behalf of a partnership, LLC, company, or corporation) certifies that NO officer or principal is a Utah State Retirement Systems (URS) retiree and acknowledges that should he/she retire from the URS system in the future, he/she assumes all responsibility for compliance with post-retirement reemployment restrictions, notifications, and/or penalties that may occur at any time in the future.
- Contractor certifies that following contractor(s), officer(s) or principal(s) of the business ARE Utah State Retirement Systems (URS) retiree(s). Contractor further certifies that the URS office has been properly notified of post-retirement reemployment of such individuals. Contractor assumes all responsibility for compliance with post-retirement reemployment restrictions, notifications, and or/penalties that may occur at any time in the future if found to be in violation. URS Retirees:

Name: _____ Social Security Number: _____

Name: _____ Social Security Number: _____
[State law requires that the City, through Human Resources, provide such information to URS.]

As a condition of doing business with Tooele City, you hereby accept responsibility and waive all claims of joint liability against Tooele City for any violations of the URS post-retirement re-employment/ vendor/contractor rules.

Contractor Signature

Date

ATTACHMENT "E"

**SAMPLE OF
INVITATION TO BID
(NOT SEALED)**

Tooele City
90 North Main
Tooele, Utah 84074

Notice is hereby given that Tooele City Corporation Parks and Recreation Department (OWNER) will accept bids for (list service such as: lawn manicure services, to include mowing and edging, for Smelter Park (800 E. Smelter Road) and Settler's Park (44 W. 500 S.)).

Bids will be received by OWNER located at 90 N. Main St., Tooele, Utah 84074 until (time and dated, such as: 5:00 p.m. on Friday, March 11, 2016).

All communication relative to this project shall be directed to the Parks and Recreation Maintenance Supervisor, 435-843-2143.

Tooele City reserves the right to reject any and/or all bids presented; or to accept or reject the whole or any part of any bid; to award schedules separately or together to contractors, or to waive any informality or technicality in any bid in the best interest of the City. Only bids giving a firm quotation properly signed will be accepted.

ATTACHMENT "F"

BID AMOUNT SUMMARY

No bids or quotes required	Less than \$5,000 Sole source State contract Emergency Purchase is to repair and maintain equipment owned by the City which may be more economically and efficiently added to, repaired, or maintained, in the judgment of the Purchasing Agent or department head, by a particular person or firm. Exchange of goods between the city and another entity whereby the cost would be below the market cost from vendors.
3 phone/internet-type quotes	\$5,000 – \$9,999
3 written quotes & Council approval if over \$30,000	\$10,000+ (includes vehicles and equipment)
Competitive sealed bids, Council approval And public advertising required	\$50,000+, OR public works projects, Class C Road projects, Building Improvements, Or at department head's request.

ATTACHMENT "G"



DISCLOSURE STATEMENT

Under the provisions of the Utah Municipal Officers' and Employee's Ethics Act (U.C.A. §10 – 3 – 1301 et seq.), I, the undersigned, under penalty of perjury, make the following statement regarding my private business interests:

City Employee

Employee Position

Employee Home Phone #

Employee Home Address

Name of Outside Institution, Entity, Private Business, or Person Involved

Description of City Employee's Status, Employment, Investment, or Interest in the Outside Institution, Entity, Private Business or Person

Describe below the nature of the assistance you are providing to the institution, entity, private business, or person named above, or describe the nature of the economic interest or employment you hold in the private business. Also describe the relationship with or transaction between the institution, entity, business, or person and Tooele City Corporation. Use more sheets if necessary. (This disclosure will not be accepted as valid unless this section is completed).

City Employee Signature

STATE OF UTAH)
) ss.
COUNTY OF TOOELE)

Before me, a Notary Public, appeared _____, who did affirm to me that he/she did execute the foregoing instrument this _____ day of _____, 20 ____ .

Notary Public

Record Classification: **Public**