

Awarding Contracts by Reverse Auction Bidding

Reverse Auction Bidding—

Reverse auction bidding may be used if the Procurement Officer determines, in writing, that reverse auction bidding will provide the best value to the procurement unit. Reverse auction bidding is appropriate to use when there are multiple prequalified providers of a procurement item.

Reverse Auction Bidding Process—

Invitation for bids to participate in reverse auction bidding

The reverse auction bidding process begins when the District issues an invitation for bids to prequalify bidders to participate in the reverse auction. The invitation for bids shall (a) state the period of time during which bids will be accepted, (b) state that the bid will be conducted by reverse auction, (c) describe the procurement items sought, (d) describe the minimum requirements to become prequalified, (e) state the required contractual terms and conditions, and (f) describe the procedure that the District will follow in conducting the reverse auction. The invitation for bids shall be published according to the notice provisions of Policy CBA.

In order to participate in a reverse auction, a bidder shall agree to the specifications, and contractual terms and conditions, of the procurement; and shall be trained in, and abide by, the procedure that the District will follow in conducting the reverse auction.

Utah Code § 63G-6a-611 (2016)

Conducting a reverse auction

The District shall allow all prequalified bidders, but only prequalified bidders, to participate in a reverse auction. The reverse auction may be conducted at a physical location or by electronic means. No bids may be accepted after the time for a bid submission has expired. The reverse auction shall be conducted in a manner such that (1) bids are updated in real time, and (2) each bidder may bid against each other bidder and each bidder may lower the bidder's price below the lowest bid before the auction closes.

Utah Code § 63G-6a-612(1) (2017)

Evaluation of bids and awarding contract

At the close of the reverse auction, the District shall either award the contract as soon as practicable to the responsible bidder who submitted the lowest responsive bid that meets the objective criteria described in the invitation for bids, or shall cancel the reverse auction without awarding a contract.

Utah Code § 63G-6a-612(2) (2017)

Public notice

After the conclusion of the reverse auction, the Procurement Officer shall make publicly available the amount of the final bid submitted by each bidder during the reverse auction and the identity of the bidder that submitted each final bid. If practicable, the Procurement officer shall also make publicly available the amount of each bid submitted during the reverse auction and the identity of the bidder.

Utah Code § 63G-6a-612(3) (2017)