

ORDINANCE NO. 0-2025-0019

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING SECTION 2-7-6 OF THE OREM CITY CODE TO ADD A NEW SUBSECTION (T) PERTAINING TO EXCEPTIONS TO BIDDING REQUIREMENTS

WHEREAS Article 2-7 outlines the City's purchasing procedures; and

WHEREAS Orem City Code Section 2-7-6 currently lists a number of exceptions to the City's competitive bidding requirements; and

WHEREAS Utah Code Section 63G-6a-802 authorizes an exception to competitive bidding requirements where transitional costs are a significant consideration in selecting a procurement item and the results of a cost-benefit analysis demonstrate that transitional costs are unreasonable or cost-prohibitive and that the award of a contract without engaging in a competitive bidding process is in the best interest of the City; and

WHEREAS the City Council desires to incorporate the language of the above-described exception in a new subsection (T) to Orem City Code Section 2-7-6 to create an additional exception to the City's bidding requirements consistent with state law; and

WHEREAS the City Council considered the proposed amendment at a public meeting on December 9, 2025; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety, and general welfare of the City; and the special conditions applicable to the request.

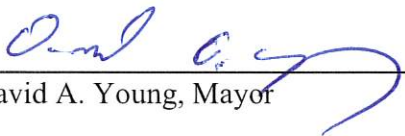
NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council finds the request to amend Section 2-7-6 of the Orem City Code to add a new subsection (T) is in the best interest of the City.
2. The City Council hereby amends Section 2-7-6 of the Orem City Code to add a new subsection (T) as shown in Exhibit "A" which is attached hereto and incorporated herein by reference.
3. This ordinance shall take effect immediately upon passage and after a summary of this ordinance has been published or posted as required by law.
4. If any part of this ordinance shall be declared invalid, such decision shall not affect the

validity of the remainder of this ordinance.

5. All other ordinances or policies in conflict herewith, either in whole or part, are hereby repealed.

PASSED and APPROVED this 9th day of December, 2025.


David A. Young, Mayor

ATTEST:


Teresa McKittrick, City Recorder

COUNCILMEMBER

AYE NAY ABSTAIN

| | | | |
|----------------|-------------------------------------|--------------------------|--------------------------|
| David A. Young | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Jeff Lambson | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Jenn Gale | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Tom Macdonald | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| LaNae Millett | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Chris Killpack | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| David Spencer | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



2-7-6. Exceptions to Bidding Requirements set forth in Section 2-7-5.

The bid process requirements set forth in section 2-7-5 do not apply in the following situations:

...

T. Transitional Costs are Unreasonable or Cost-Prohibitive Based on Cost-Benefit Analysis.

The City Manager determines in writing that transitional costs are a significant consideration in selecting a procurement item and the results of a cost-benefit analysis demonstrate that transitional costs are unreasonable or cost-prohibitive, and that the award of a contract without engaging in a standard procurement process is in the best interest of the City.

"Transitional costs" means the costs of changing: (i) from an existing provider of a procurement item to another provider of that procurement item; or (ii) from an existing type of procurement item to another type.

Transitional costs include:

- (i) training costs;
- (ii) conversion costs;
- (iii) compatibility costs;
- (iv) costs associated with system downtime;
- (v) disruption of service costs;
- (vi) staff time necessary to implement the change;
- (vii) installation costs; and
- (viii) ancillary software, hardware, equipment, or construction costs.

Transitional costs does not include: (i) the costs of preparing for or engaging in a procurement process; or (ii) contract negotiation or drafting costs.