

# ARIZONA PROCUREMENT CODE

**Fiscal Year End:** June 30

1. **Prequalifications:** Prospective contractors may be prequalified, and can be required in the case of on-line bidding.
  - a. **AZ Code § 41-2541**→ Prospective contractors may be prequalified for particular types of materials, services and construction. Prospective contractors have a continuing duty to provide the director with information on any material change affecting the basis of prequalification. Solicitation mailing lists of potential contractors shall include the prequalified contractors.
  - b. **AZ Code § 41-2672.e**→ Purchasing agencies may:
    - i. Require bidders to register before the opening date and time and, as part of that registration, require bidders to agree to any terms, conditions or other requirements of the solicitation.
    - ii. Pre-qualify bidders and allow only those bidders who are pre-qualified to submit bids on line.
2. **Auto-drop:** None.
3. **Life Cycle Costing (LCC):** The evaluation factors set forth in the request for proposals shall include the total life cycle cost including residual value of each proposal and such other additional evaluation factors set forth in the request for proposals.
  - a. **AZ Code § 41-2554.a**→ Notwithstanding the criteria for contract award prescribed in section 41-2533, a contract for earth moving, material handling, road maintenance and construction equipment shall be awarded to the lowest responsible and responsive bidder whose bid conforms in all material respects to the requirements and criteria set forth in the invitation for bids, which shall include as price evaluation criteria the total life cycle cost including residual value of the earth moving, material handling, road maintenance and construction equipment and such other additional evaluation factors set forth in the invitation for bids. No factors or criteria may be used in the evaluation of bids for earth moving, material handling, road maintenance and construction equipment, other than those specified in the invitation for bid. Additional evaluation factors shall include, to the extent practicable, outright purchase. The contract award shall be based on the price evaluation criteria deemed by the state to be most advantageous to the state. Procedures for awarding contracts for earth moving, material handling, road maintenance and construction equipment pursuant to this subsection shall be the same as those prescribed in section 41-2533.
  - b. **AZ Code § 41-2554.b** → Notwithstanding the criteria for contract award prescribed in section 41-2534, a contract for earth moving, material handling, road maintenance and construction equipment shall be awarded to the responsible offeror whose proposal is determined in writing to be the most advantageous to the state. The evaluation factors set forth in the request for proposals shall include the total life cycle cost including residual value of each proposal and such other additional evaluation factors set forth in the request for proposals. No factors or criteria may be used in the evaluation of proposals for earth moving, material handling, road maintenance and construction equipment, other than those specified in the request for proposal. Additional evaluation factors set forth in the request for proposal shall include, to the extent practicable, outright purchase. The contract award shall be based on the price evaluation criteria deemed by the state to be

most advantageous to the state. Procedures for awarding contracts for earth moving, material handling, road maintenance and construction equipment pursuant to this subsection shall be the same as those prescribed in section 41-2534.

**4. Piggybacking: Allowed**

- a. **AZ Code § 41-2632.a** → Any public procurement unit may either participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any materials, services, professional services, construction or construction services with one or more public procurement units in accordance with an agreement entered into between the participants. A nonprofit educational or public health institution may enter into an agreement pursuant to this section if one or more of the parties involved is a public procurement unit.

**5. Recycle Preferences: Director may adopt a 5% preference for products made from recycled materials**

- a. **AZ Code § 41-2533.i** → If the price of a recycled paper product which conforms to specifications is within five per cent of a low bid product which is not recycled and the recycled product bidder is otherwise the lowest responsible and responsive bidder, the award shall be made to the bidder offering the recycled product. The director may adopt rules requiring a five per cent preference for other products made from recycled materials

**6. Minority/Small/Disadvantaged Business Enterprise preferences: Any bids in which the total is less than \$50,000 should be reserved for small businesses if practicable.**

- a. **AZ Code § 41-2535.b** → Any procurement which does not exceed the aggregate dollar amount of less than fifty thousand dollars shall be restricted, if practicable, to small businesses as defined in rules adopted by the director. The procurement officer shall rotate the small business solicited to compete for any procurement of less than fifty thousand dollars. If it is impracticable to restrict a particular procurement to small businesses, the procurement officer shall make a determination setting forth the reasons and place it in the contract file.

**7. Cooperative Purchasing**

**National IPA**

The City of Tucson, AZ has awarded a national cooperative purchasing agreement available to agencies through National Intergovernmental Purchasing Alliance (National IPA). Visit the National IPA website for state specific information <http://www.nationalipa.org/statutes.html>

**National Joint Powers Alliance (NJPA)**

NJPA currently supports over 100 national contracts for products and services that are available to local governmental agencies and other not for profit entities. Additional information can be found by visiting NJPA's State Procurement Resources web site.

<http://www.njpacoop.org/national-cooperative-contract-solutions/legal-authority/>

**\*\*\*Arizona State Procurement Code:**

<http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp?Title=41>