



Legislation Text

File #: 17-0065, **Version:** 1

Consider and take action on a resolution amending the Local Preference Policy to increase the policy's applicability to local vendors (Assistant City Manager)

On November 10, 2015, City Council approved Resolution 2015-54 implementing a local vendor's preference policy. Resolution 2015-54, in accordance with Texas Local Government code §271.905 and §271.9051, allowed the City to consider a vendor's principal place of business in the award of certain contracts. After the City tabulated all bids received for:

- Contracts for the purchase of personal or real property not greater than \$3,333,333.33
- Contracts for the purchase of non-professional services greater than \$50,000 and less than \$500,000; and
- Construction services contracts greater than \$50,000 and less than \$100,000,

the City had the option to enter into contract with:

- The lowest bidder; or
- The lowest local bidder whose bid is within **three percent (3%)** of the lowest bid received by the City.

And, if the City received **identical bids** from two or more local bidders within three percent (3%) of the lowest bid received by the City, one of the local bidders could be selected by the casting of lots. The procedure for the casting of lots would be determined by the City Manager.

In order to increase the applicability of the Local Preference Policy, the following changes are being recommended.

After the City has tabulated bids received for:

Personal Property and Services (including construction services)

- **Over \$100,000 but less than \$3,333,333.33** - the City has the option to enter into contract with a local bidder whose bid is within three percent (3%) of the lowest bid price received from a bidder who is not a local bidder.
- **\$100,000 or less** - the City has the option to enter into contract with a local bidder whose bid is within five percent (5%) of the lowest bid price received from a bidder who is not a local bidder.

Professional Services

- The Purchasing Department shall, when appropriate, consider the knowledge of local conditions as part of the qualifications determination.

Identical Bids

- The Mayor shall determine the procedure for the casting of lots for contracts that require City Council approval, which such procedure must include the casting of lots in the presence of the City Council.
- The City Manager shall determine the procedure for the casting of lots for all other contracts.

City staff will work with the League City Chamber of Commerce and the Communications department to inform our community of this local preference.

FUNDING

{x } NOT APPLICABLE

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____

