

THE CITY OF THREE RIVERS  
LOCAL BID PREFERENCE GUIDELINES

CITY COMMISSION GUIDELINES FOR LOCAL BID PREFERENCE TO COMMUNITY-BASED BUSINESSES ON CITY PROCUREMENT CONTRACTS.

**SECTION 1. Introduction.** When a Community-based business, as defined in the Guidelines, submits a responsive bid that is within a certain percentage of the lowest responsive bid received from a non-Community-based bidder, the Community-based business may be considered by the City Commission as the lowest responsive and responsible bidder subject to these Guidelines.

**SECTION 2: Preference for local bidders or offerors.** A Community-based business may be awarded a contract as the lowest responsive and responsible bidder under the circumstances specified in these Guidelines.

**SECTION 3: Definitions.** For purpose of these Guidelines, the following definitions shall apply:

(a) **Community-based business** means the physical and economic relationship to the City evidenced by the main business office or other facility physically located within the “49093 Zip Code Area” as designated by the United States Postal Service.

(b) **Subcontractor** means a person or company that assumes, by secondary contract, some or all of the obligations of an original contractor.

(c) **Joint venture** means a cooperation between two or more parties for a particular project in which they share the responsibilities and profits associated with the project.

**SECTION 4: Preference for Community-based businesses on contracts.** When sealed bids are received by the City in a total amount greater than Seven Thousand Five Hundred (\$7,500.00) Dollars, the following shall apply:

(a) If the lowest bidder is not a Community-based business, a Community-based business with a bid within five (5%) percent of the lowest bid that has been deemed responsive and responsible under the Purchasing Ordinance shall be deemed the lowest bidder . The percentage difference in this Guideline may be revised from time to time as the City Commission deems appropriate.

(b) If no Community-based business is within the existing percentage of the lowest bid, as provided above, then the contract shall be awarded to the person or

business with the lowest, most responsive and responsible bid.

(c) Any Community-based business awarded a contract pursuant to these Guidelines shall agree to make available to the City all records necessary to establish eligibility and compliance with all provisions of these Guidelines.

**SECTION 5. Bonding requirements.**

(a) The City may eliminate bid, performance, and payment bonding requirements when the City Commission deems it appropriate for a Community-based business, except for contracts for construction, alterations or repairs exceeding Twenty Five Thousand (\$25,000.00) Dollars.

(b) The City may allow for joint ventures or other documented business arrangements to enable Community-based businesses to meet bonding requirements for contracts greater than Twenty Five Thousand (\$25,000.00) Dollars.

**SECTION 6. Notice to prospective bidders.** When soliciting competitive bids, the City Manager shall cause prospective bidders to be notified of the City's local bid preference Guidelines.

**SECTION 7. Qualification Determination.** A Community-based business that seeks to qualify for a local bid preference may be required to submit an affidavit as to its qualifications for bid preference and/or be required to furnish such documentation as the City Manager may reasonably require to determine its qualification for a local bid preference.

**SECTION 8. Subcontractors.** In awarding a local bid preference under these Guidelines, the City Commission may ask the Community-based business to give appropriate assurances that if awarded a contract the Community-based business will utilize the services and/or supplies and materials from Community-based businesses for more than fifty (50%) percentage of the total amount of the contract.

**SECTION 9. Considerations in awarding local bid preference.** All contracts awarded under these Guidelines shall be awarded pursuant to a responsive bid from a Community-based business and to a responsible bidder as determined by the City Commission. In accepting a bid under these Guidelines, the City Commission may consider some or all of the following:

- (1) The ability, capacity and skill of the bidder to perform the contract or provide the service required.
- (2) Whether the bidder can perform the contract or provide the service promptly or within the time specified, without delay or interference.
- (3) The character, integrity, reputation, judgment, experience and efficiency of the bidder.
- (4) The quality of performance of previous contracts or services.

- (5) The previous and existing compliance by the bidder with laws and ordinances relating to any contract or service.
- (6) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
- (7) The quality, availability and adaptability of the supplies or contractual services to the particular use required.
- (8) The ability of the bidder to provide future maintenance and services for the use of the subject of the contract.
- (9) The number and scope of the conditions attached to the bid.

SECTION 10. **Guidelines only.** The City Commission has adopted these Guidelines pursuant of its policy to support local businesses in the procurement of City goods, services and capital improvements whenever reasonably possible in the best interest of the City, its taxpayers and residents. The Guidelines may be revised at any time by proper action of the City Commission or in a specific incidence the City Commission, acting in compliance with the City Charter and the City Code, may elect not to follow these Guidelines.

These Guidelines were duly adopted by the Three Rivers City Commission at a regular meeting of the City Commission held on September 1, 2009.

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Allen J. Balog, Mayor

Attest:

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Lindsay Howes, City Clerk

Reviewed for Administration:

Approved as to Form:

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Joseph A. Bippus, City Manager

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J. Patrick O'Malley, City Attorney