

THE CITY OF FREDERICK
MAYOR AND BOARD OF ALDERMEN

RESOLUTION NO: 09-7

A RESOLUTION concerning

Purchasing Policies and Procedures – Local Preference Policy

WHEREAS, The City of Frederick adopted Purchasing Policies and Procedures on October 4, 2001; and

WHEREAS, the Purchasing Policies and Procedures do not include any policy that limits or specifies a source for its purchased goods or services; and

WHEREAS, the Mayor and Board of Aldermen believe it to be in the best interests of the citizens of The City of Frederick to purchase goods and services from vendors whose place of business is located in The City of Frederick or the State of Maryland; and

WHEREAS, this Resolution will amend the Purchasing Policies and Procedures to implement the goals set forth in these recitals.

NOW THEREFORE BE IT RESOLVED THAT the Purchasing Policies and Procedures of The City of Frederick, as the same were adopted on October 4, 2001, are hereby amended by renaming Section II, "Purchasing Principles and Policy", Subsection B, "Purchasing Policies", Paragraph 9, "Local and Minority Purchasing", deleting Subparagraph (a), re-lettering accordingly, and adding a new Subparagraph (b), as follows:

9. [Local and Minority Purchasing] Minority Preference and Local Preference

[a. Purchases of goods or services from vendors whose place of business is physically located in Frederick County is considered in the best local interest providing cost, quality and service are equal.]

[b.] a. Minority Preference. Purchases of goods or services from bona fide minority vendors will be made whenever possible, providing cost, quality and service are equal. Refer to Disadvantaged Business Enterprise Program (Attachment 1).

b. Local Preference.

1. Definitions. For the purposes of this subsection, the following terms have the meanings ascribed to them:

A. "City Business" means a business entity that (i) For at least one year immediately preceding the issuance of the relevant request for quotes or formal solicitation, has its headquarters, a manufacturing facility, a

locally-owned franchise, or an operating branch physically located within the City; (ii) For the most recent tax year, has paid any business tax or real property tax due to the City; and (iii) Will use only subcontractors who meet the criteria of (i) and (ii).

B. "State Business" means a business entity that **(i) For at least one year immediately preceding the issuance of the relevant request for quotes or formal solicitation, has its headquarters, a manufacturing facility, a locally-owned franchise, or an operating branch physically located within the State of Maryland; (ii) For the most recent tax year, has paid any business tax or real property tax due to a political subdivision of the State of Maryland; and (iii) Will use only subcontractors who meet the criteria of (i) and (ii).**

2. Preferences

A. In General. Subject to the exemptions set forth below, in evaluating any competitive solicitation in accordance with these Purchasing Policies and Procedures, the City will grant a preference in relation to the proposed quoted cost or bid amount as further described herein. The preference is only used for computational purposes to determine the winning bid or proposal, and has no bearing on the actual purchase price or cost to the City.

B. City Businesses. The preference given to City Businesses is 10 percent of the lowest quote or responsible bid, not to exceed \$3,000.

C. State Businesses. The preference given to State Businesses is 5 percent of the lowest quote or responsible bid, not to exceed \$1,500.

3. Exemptions. The City will not grant any preference in connection with any of the following:

A. A purchase for which a local preference is prohibited by State or Federal law;

B. A purchase funded, in whole or in part, by a Federal or State grant, if the preference would conflict with any condition attached to the grant;

C. A purchase funded, in whole or in part, by a donation or gift to the City, if the preference would conflict with any special condition attached to the donation or gift;

D. An emergency purchase, as set forth in Section IV (L) of these Purchasing Policies and Procedures;

E. The transfer or disposition of any surplus, obsolete, or waste article pursuant to Section VII of these Purchasing Policies and Procedures; or

F. The transfer or disposition of any real property owned by the City.

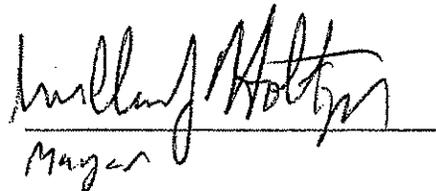
4. This "Local Preference" policy supersedes any other provision within these Purchasing Policies and Procedures to the extent of any inconsistency.

ADOPTED AND APPROVED THIS 2 DAY OF April, 2009.

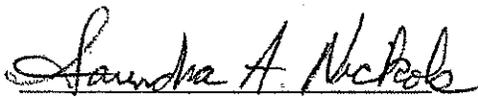
WITNESS



Reviewed and approved for legal sufficiency:


Mayor

William J. Holtzinger, Mayor


Legal Department

Examples

Bid Tabulation:

Vendor	Location	Total	Preference	Adjusted Total
A	Non-City	\$ 52,546.00	-	\$ 52,546.00
B	City	\$ 55,455.00	\$ 3,000.00	\$ 52,455.00
C	State	\$ 66,342.00	\$ 1,500.00	\$ 64,842.00
D	Non-City	\$ 71,000.00	-	\$ 71,000.00

Vendor B is awarded the Bid at a price of \$55,455.

RFP Tabulation:

Without Preference

Vendor	Location	Selection Criteria						Total Pts	
		Experience 25 pts	Past Performance 25 pts	Personnel 25 pts	Original Price	Adjusted Price	Adjusted Price Pts		
A	City	21	23	21	\$ 118,000.00	\$ 115,000.00	24.35	25.00	90.00
B	Non-City	21	23	20	\$ 115,000.00	\$ 115,000.00	25	25.00	89.00
C	State	20	22	18	\$ 118,000.00	\$ 116,500.00	24.35	24.67	84.67
D	Non-City	18	19	15	\$ 120,000.00	\$ 120,000.00	23.91	23.91	75.91

Vendor A is highest rated Proposal