

RESOLUTION #051209-01
A RESOLUTION APPROVING THE CITY OF PLEASANT HILL, IOWA
LOCAL BIDDER PREFERENCE POLICY

WHEREAS, Section 23A.3 of the Code of Iowa requires that a city adopt a policy for purchasing goods and services from private enterprise which requires consideration of purchasing these goods or services from a locally owned business located within the city, which offers these goods or services if the cost and other considerations are relatively equal; and

WHEREAS, Such a policy giving preference to local businesses in the community rewards their contributions by recognition that they are sharing their revenues with the community in a variety of ways, among them being taxes paid, jobs provided, and donations to community organizations; and

WHEREAS, Such a preference to local businesses should not be so great that it imposes unacceptable costs on the general taxpayer; and

WHEREAS, the City of Pleasant Hill would like to establish a policy by setting out specific dollar amounts to define the circumstances in which the "cost of goods or services" shall be considered "relatively equal."

THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLEASANT HILL, IOWA, AS FOLLOWS:

Section 1. It is hereby declared to be the policy of the City of Pleasant Hill, Iowa, to encourage its officials and employees to make purchases of supplies and materials in the City of Pleasant Hill, Iowa, pursuant to Section 23A.3 of the *Code of Iowa*.

Section 2. This policy defines such local businesses to be any business that owns or leases a building within the city limits of Pleasant Hill and uses the building to conduct actual business operations within the City.

Section 3. It is the policy of the City of Pleasant Hill that a bidding preference shall be granted to local bidders in competitive bidding situations, except as provided in Sections 5 or 6 of this resolution, on the following scale to aid in the clarification as to when the costs of goods and services for the local preference is considered relatively equal and provided all other specifications for the request are met:

<u>BID AMOUNT</u>	<u>DISCOUNT RATE</u>
Not exceeding \$100,000.00	5% up to a maximum of \$5,000.00 (for up to one year for a multi-year contract)

Section 4. In determining the total purchase price, the official or employee shall include all costs incidental to the expenditure, such as freight costs, sales tax and other incidental costs and shall have the discretion to make purchases in conflict with this resolution when extenuating circumstances require.

Section 5. Exceptions to this policy may be considered when supplies or services are available locally but have to be ordered or scheduled, requiring inordinate time delay in the city's project or activity; or in emergency situations when local businesses are not accessible.

Section 6. This policy shall be interpreted to give a local preference to the extent provided by law. It does not apply when awarding contracts for public improvements under Chapter 26 of the *Code of Iowa*, nor to goods and services purchased with the assistance of federal, state or county grants or funds. It does not apply to other specific circumstances when the application would make it unlawful under state or federal law, including the application under treaty or trade agreements.

Passed this 12th day of May 2009.

Phil Hildebrand, Mayor

ATTEST:

Joni Haag, City Clerk/Finance Director