

RESOLUTION NO. R2012-012

A RESOLUTION OF THE CITY OF DENTON, TEXAS APPROVING A CITY LOCAL PREFERENCE PURCHASING POLICY REGARDING THE LOCATION OF BIDDER'S PRINCIPAL PLACE OF BUSINESS; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Denton elects to implement Local Government Code, Chapter 271.905 and 271.9051 regarding the Location of Bidder's Principal Place of Business;

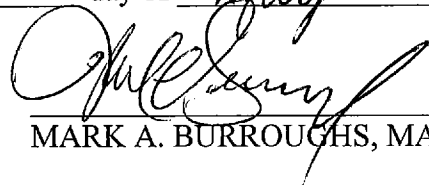
THE COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

SECTION 1. The following policy of the Purchasing and Payment Procedures Manual of the City of Denton and entitled "Local Preference Purchasing Policy", attached hereto and made a part hereof, is hereby adopted as an official policy of the City of Denton, Texas.

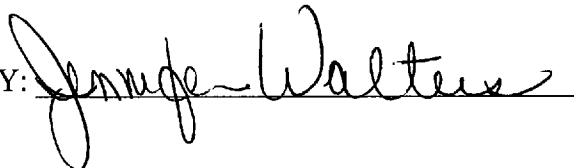
SECTION 2. The attached policy shall be filed in the official records with the City Secretary.

SECTION 3. This Resolution shall become effective immediately upon its passage and approval.

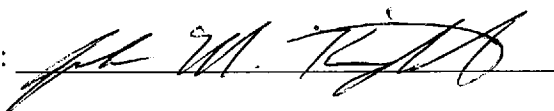
PASSED AND APPROVED this the 1st day of May, 2012.


MARK A. BURROUGHS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: 

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY: 

CITY OF DENTON

LOCAL PREFERENCE PURCHASING POLICY

Purpose:

The purpose of this policy is to comply with Sections 271.905 and 271.9051 of the Texas Local Government Code allowing for “Consideration of Location of Bidder’s Principal Place of Business” in the award of competitively bid contracts.

Procedure:

I. Scope

- a. This policy applies to the purchase of real property, personal property that is not affixed to real property, or services (including construction services) through a Competitive Bid.
 - i. Lowest Responsible Bid – Price is the single determinant factor when awarding a bid to a responsible bidder.
 - ii. Best Value Bid – Price is only one of a number of determining factors that are weighted for evaluation purposes. (Texas Local Government Code 252.043)

II. Criteria

a. Lowest Responsible Bids –

- i. A five percent (5%) price differential will apply to construction bids less than \$100,000 and all other bids, including services, less than \$500,000. Excludes telecommunication and information services.
- ii. A three percent (3%) price differential will apply to bids, excluding construction and services, greater than \$500,000.

The chart below is a summary of the criteria for Lowest Responsible Bids:

LGC 271.9051	LGC 271.905
5% price differential	3% price differential
Construction bids less than \$100,000	All other bids, excludes construction and services, greater than \$500,000
All other bids, including services, less than \$500,000	

LOCAL PREFERENCE PURCHASING POLICY (Continued)

b. Best Value Bids –

- i. Price is only one of a number of determining factors that are weighted for evaluation purposes as provided in Texas Local Government Code 252.043. As a result, an additional weighted factor will be added to all such bids for bidders meeting local preference criteria. The appropriate weight, either 5% or 3%, will be consistent with the criteria outlined in the chart above.

c. Local Bidder Preference Consideration Application (Attachment 1) –

- i. A new and complete application must be submitted with each competitive bid by the due date, including a Tax Certification from the Denton County Tax Assessor/Collector (Attachment 2).
- ii. This application serves to ensure the qualification of a bidder as a local bidder and serves as the basis for meeting the statute's requirement that the governing body file, in writing, that a bidder is a local bidder.

- d. Bidders seeking local preference must meet all specifications and minimum requirements contained in the bid documents.

III. Exceptions –

- a. This policy does not apply to purchases obtained through a Request for Qualifications (RFQ), Request for Proposals (RFP), bids involving Federal funds, Cooperative Programs or Interlocal Agreements.

IV. Award of Contract

- a. The City Council may award a competitively bid contract to the lowest responsible bidder, local bidder or reject all bids.



Purchasing Department
901B Texas Street
Denton, TX 76209
940-349-7100
940-349-7302 (f)
purchasing@cityofdenton.com

APPLICATION FOR LOCAL BIDDER PREFERENCE CONSIDERATION

This "APPLICATION FOR LOCAL BIDDER PREFERENCE CONSIDERATION" does not mean that the City of Denton is limiting responses to their competitive bids to only those businesses located within the city limits. All bids are welcome.

Bidders who wish to request a LOCAL PREFERENCE must have their principal place of business located within the City of Denton, city limits.

If your principal place of business is within the Denton city limits and you wish to apply for local preference consideration, then you must meet the minimum requirements below for each bid:

- a) Provide a Tax Certificate from the Denton County Tax Assessor showing the current status of taxes, penalties, interest, and any known costs due on a property; and
- b) Submit the completed application on the following page.

Local Preference may be considered in the following instances:

- A. In purchasing any real property or personal property that is not affixed to real property, if a local government receives one or more bids from a bidder whose principal place of business is in the local government and whose bid is within three percent of the lowest bid price received by the local government from a bidder who is not a resident of the local government, the local government may enter into a contract with the bidder whose principal place of business is in the local government. (Local Government Code 271.905)
- B. In purchasing any real property, personal property that is not affixed to real property, or services, if a municipality receives one or more competitive sealed bids from a bidder whose principal place of business is in the municipality and whose bid is within five percent of the lowest bid price received by the municipality from a bidder who is not a resident of the municipality, the municipality may enter into a contract for construction services in an amount of less than \$100,000 or a contract for other purchases of less than \$500,000 with the bidder whose principal place of business is in the municipality. This section does not apply to the purchase of telecommunications services or information services, as defined by 47 U.S.C. Section 153. (Local Government Code 271.9051)

The City of Denton reserves the right to award to the lowest bidder or reject all bids.

The full text of the Local Government Code related to Purchasing and Contracting Authority of Municipalities, Counties, and certain other Governments is available at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.271.htm#271>. Detailed information related to local bidders is found in Section §271.905 and §271.9051 "CONSIDERATION OF LOCATION OF BIDDER'S PRINCIPAL PLACE OF BUSINESS."

LOCAL PREFERENCE CONSIDERATION APPLICATION
For bidders whose business is located within the Denton city limits

The City of Denton requires the following information for consideration in award of competitive bids:

1. Location Eligibility:

Principal place of business is defined herein as any business which owns or leases a commercial building within the City limits and uses the building for actual business operations. Is company's principal place of business within the City Limits of Denton, Texas?

a. If yes, identify the following:

i. Business Name/DBA: _____

ii. Address: _____

iii. Business Structure: _____
(sole proprietorship/partnership/corporation/other)

b. Name and city of residence of owner(s)/partners/corporate officers, as applicable.

iv. Name/Title: _____

v. City of Residence: _____

If more than one owner/partner/corporate officer exists, attach a separate sheet of paper.

2. Economic Development benefits that would result from award of this contract:

- a. Total number of current employees who are residents of the City of Denton? _____
- b. Will award of this contract result in the employment/retention of residents of the City of Denton? ___ Yes ___ No
- c. Will subcontractors with principal places of business in the City of Denton be utilized? ___ Yes ___ No
- d. Will award of this contract result in increased tax revenue to the City? ___ Yes ___ No
- e. If yes, check types of taxes? ___ Property Taxes ___ Sales Taxes ___ Hotel Occupancy Taxes
- f. Other economic development benefits deemed pertinent by applicant (attach separate sheet if necessary):

City Bid Number for which local preference is requested: _____

Certification of information:

The undersigned does hereby affirm that the information supplied in its bid and this application are true and correct as of the date hereof, under penalty of perjury.

_____/_____
Company Name Date

_____/_____
Signature Print Name

Tax Certificate from Denton County Tax Assessor is attached



STEVE MOSSMAN
 DENTON COUNTY TAX ASSESSOR/COLLECTOR
 P O BOX 90223
 DENTON, TX 76202
 (940) 349-3500

Tax Certificate
 Property Account Number:

Statement Date: 12/15/2011
 Owner:
 Mailing Address:

Property Location:
 Legal:

TAX CERTIFICATE FOR ACCOUNT :
 AD NUMBER:
 GF NUMBER:
 CERTIFICATE NO :

DATE : 12/15/2011
 FEE : \$10.00
PROPERTY DESCRIPTION

PAGE 1 OF 1

COLLECTING AGENCY
 Denton County
 P O BOX 90223
 DENTON TX 76202

REQUESTED BY

PROPERTY OWNER

THIS IS TO CERTIFY THAT, AFTER A CAREFUL CHECK OF THE RECORDS OF THE DENTON COUNTY TAX OFFICE, THE FOLLOWING DELINQUENT TAXES, PENALTIES, AND INTEREST ARE DUE ON THE DESCRIBED PROPERTY.

THE ABOVE DESCRIBED PROPERTY TAX HAS/IS RECEIVING SPECIAL APPRAISAL BASED ON ITS USE, AND ADDITIONAL ROLLBACK TAXES MAY BECOME DUE BASED ON THE PROVISIONS OF THE SPECIAL APPRAISAL. (IF APPLICABLE).

TAXES FOR _____ HAVE NOT BEEN CALCULATED

CURRENT VALUES		
LAND MKT VALUE:	IMPROVEMENT :	0
AG LAND VALUE:	DEF HOMESTEAD:	0
APPRAISED VALUE:	LIMITED VALUE:	0
EXEMPTIONS:		
LAWSUITS:		

YEAR	TAX UNIT	LEVY	PEN	INT	DEF INT	ATTY	AMOUNT DUE
2011	DENTON COUNTY	0.00	0.00	0.00	0.00	0.00	0.00
2011	DENTON IND SCH DIST	0.00	0.00	0.00	0.00	0.00	0.00
2011 SUB TOTAL							\$0.00

TOTAL CERTIFIED TAX DUE 12/2011 : \$ 0.00

ISSUED TO :
 ACCOUNT NUMBER:

CERTIFIED BY: _____
 AUTHORIZED AGENT OF DENTON COUNTY

SAMPLE