



OFFICE OF THE CITY MANAGER

February 18, 2010

**MEMORANDUM**

**TO:** Mayor and City Council Members  
**FROM:** Carey F. Smith, City Manager *CFS*  
**SUBJECT:** Local Purchasing

Based upon our recent discussions, staff recommends modifying our Purchasing Policy with the following provisions in the category of Local Purchasing:

- 1.) Local Businesses with a valid business license will have a 3% advantage during the consideration of bids.
- 2.) The maximum value of the 3% advantage will be capped at \$10,000.
- 3.) If a Local Business is within 3%, not exceeding \$10,000, of the lowest bid received, the Local Business will be given consideration of the bid award if they are willing to provide goods or services at the price of the lowest bid received.
- 4.) If conditions of number 3 above are met and the Local Business is not willing to provide goods or services at the price of the lowest bid received, the consideration of bid award will revert back to the lowest bid received, or the next lowest Local Business within the 3% (maximum \$10,000) advantage threshold.
- 5.) Contractor and or business must make every reasonable attempt to hire local Rock Hill/York County residents.
- 6.) Selected contractor(s) must make every reasonable effort to purchase/lease all material, equipment and supplies associated with the awarded bid to a local business with a valid City of Rock Hill Business License.
- 7.) Contractor(s) receiving an award must supply City with a list of their employees working on the project which include the city/town in which they reside along with a list of all equipment, material, suppliers and subcontractors and their addresses (this list will be used in the evaluation process).
- 8.) Special consideration may be given to companies that have products produced and/or manufactured in the United States.
- 9.) Local Purchasing provisions of this section will expire on December 31, 2010, unless reauthorized by the City Manager.

**Mayor and City Council Members**  
**February 18, 2010**  
**Page 2**

10.) Local Purchasing preferences cannot apply: (i) to Federally Funded Projects (ii) to State Funded Projects where the State restricts the use of local preferences under such circumstances; or (iii) to projects funded by Bond proceeds where the Bond covenants restrict the manner of procurement.

I remain committed to reporting the initial results of this interim measure to the Mayor and Council by July 30, 2010.

With the help of your constructive deliberations in this area, I am confident that we have reached a position that accommodates local business in an appropriate way, while staying ultimately accountable to our taxpayers and ratepayers.

This item will be on your agenda for February 22, 2010 for your formal consideration.

Please let me know if you have any questions regarding this measure.